

Fiscal Year 2013
The Interior
Budget in Brief
February 2012

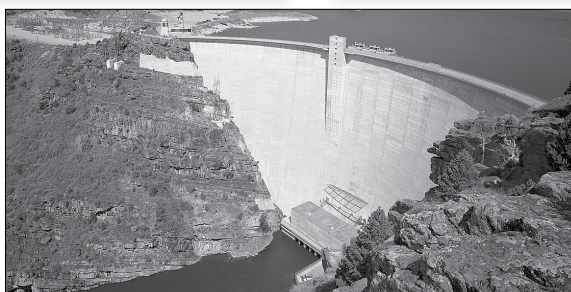
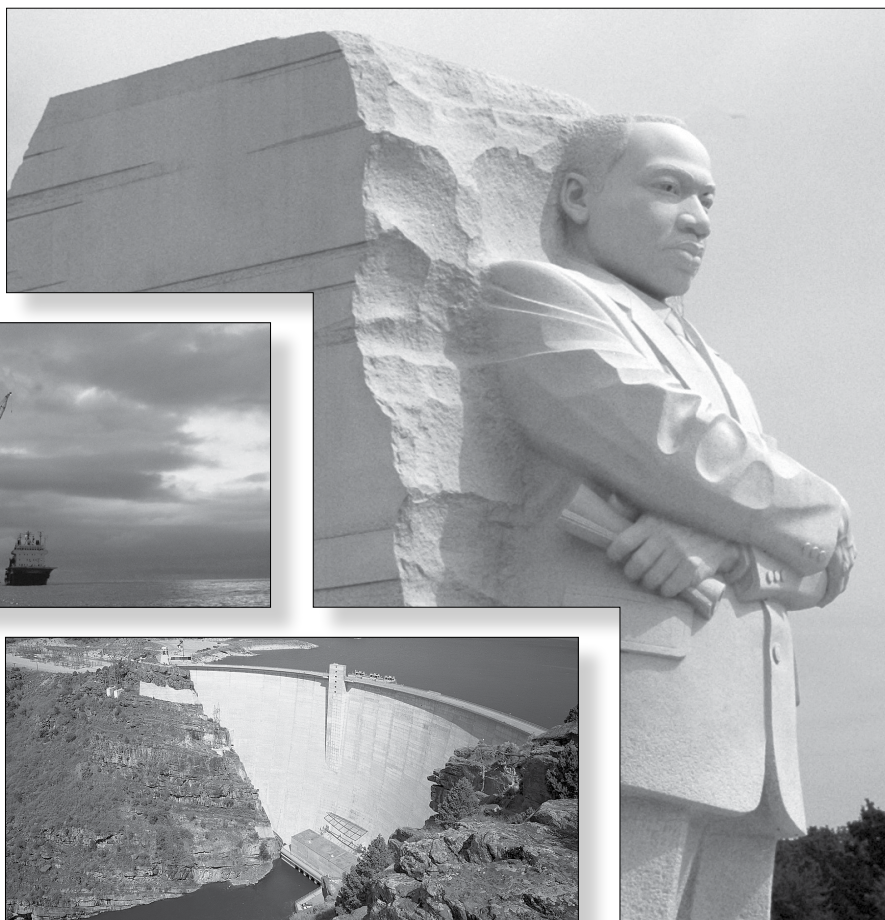


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FOREWORD

BACKGROUND AND ORGANIZATION

This document summarizes and highlights the programs of the Department of the Interior and its 2013 President's budget request. The **DEPARTMENTAL OVERVIEW** section summarizes budgetary resource requirements at the Department level. The **DEPARTMENTAL HIGHLIGHTS** section presents major Department-wide initiatives, programs, and budget proposals. The **BUREAU HIGHLIGHTS** section presents a narrative summary of the budget request for each bureau and an in-depth comparison in tabular form of 2011 - 2013 budgetary resource estimates with brief descriptions of programmatic changes. The 2012 level reflects the reorganization of the Bureau of Ocean Energy Management, Regulation and Enforcement into the Bureau of Ocean Energy Management and the Bureau of Safety and Environmental Enforcement. The **APPENDICES** present tabular summaries of pertinent budgetary data. Appendix A is a Department-wide table, comparing the 2013 request with the 2012 enacted and 2011 actual amounts. Other appendices contain summaries of Interior initiatives and crosscutting programs including energy; water; youth; land acquisition; Everglades; oceans; maintenance and construction; recreational fees; grants and payments; receipt estimates; mineral revenue payments to States; and staffing levels.

USAGE AND TERMINOLOGY

All years referenced are fiscal years unless noted, and amounts presented reflect budget authority unless otherwise specified. Numbers in tables and graphs may not add to totals because of rounding. Numbers shown in brackets [] are displayed for informational purposes and are not included in totals.

References to **2012 Estimate**, **2012 Appropriations**, or **2012 Enacted** signify amounts appropriated primarily in the Consolidated Appropriations Act, 2012, P.L. 112-74 for both Department of the Interior, Environment, and Related Agencies Appropriations and Energy and Water Development Appropriations. References to **2011 Actual**, **2011 Appropriations**, or **2011 Enacted** signify amounts appropriated primarily in P.L. 112-10, the Department of Defense and Full-Year Continuing Appropriations Act, 2011, again for both appropriations, which fund the Department of the Interior. **Fixed costs** refer to costs that are unavoidable in the short term (e.g. cost of living pay increases, GSA-negotiated space rate costs, unemployment compensation, and government-wide changes in health benefits). Additional information on the basis for the amounts used in this document is provided in the note following Appendix A.

A listing of frequently used acronyms follows:

BLM	Bureau of Land Management	DO	Departmental Offices
BOEMRE	Bureau of Ocean Energy Management, Regulation and Enforcement	ONRR	Office of Natural Resources Revenue
BOEM	Bureau of Ocean Energy Management	OIA	Office of Insular Affairs
BSEE	Bureau of Safety and Environmental Enforcement	SOL	Office of the Solicitor
OSM	Office of Surface Mining Reclamation and Enforcement	OIG	Office of Inspector General
CUPCA	Central Utah Project Completion Act	OST	Office of the Special Trustee for American Indians
USGS	U.S. Geological Survey	NIGC	National Indian Gaming Commission
FWS	Fish and Wildlife Service	DWP	Department-wide Programs
NPS	National Park Service	PILT	Payments in Lieu of Taxes
BIA	Bureau of Indian Affairs	NBC	National Business Center
BIE	Bureau of Indian Education	NRDAR	Natural Resource Damage Assessment and Restoration
OS	Office of the Secretary	LWCF	Land and Water Conservation Fund

A grayscale photograph of a swampy landscape. In the foreground, several large, gnarled cypress tree trunks are partially submerged in water. In the background, a wooden boardwalk or bridge stretches across the scene, surrounded by more trees. The overall atmosphere is misty and serene.

DEPARTMENTAL OVERVIEW

Introduction



The last day of the Thirtieth Congress, March 3, 1849, was also the eve of President-elect Zachary Taylor's inauguration. The House of Representatives and the Senate were busy at work on two bills: the first, to find a formula for giving the newly acquired territory of California a civil government. The second, no less contentious, was also related to the recent enlargement of the national domain: legislation to create a Cabinet agency known as the Home Department, or Department of the Interior. The bill to create such a Department passed the House of Representatives on February 15, 1849. Two

weeks later, the bill reached the Senate floor and late in the evening of March 3rd, the Senate voted 31 to 25 on the House-passed bill. President Polk was waiting in the Senate chambers and signed the bill creating a Department of the Interior.^{1/}

In 1849, when the Congress created the Home Department, it charged Interior with managing a wide variety of programs. In the last half of the 19th century, these programs ran the gamut of overseeing Indian Affairs, exploring the western wilderness, directing the District of Columbia jail, constructing the National Capital's water system, managing hospitals and universities, improving historic western emigrant routes, marking boundaries, issuing patents, conducting the census, and conducting research on the geological resources of the land.

Following the conservation movement at the beginning of the 20th century, there was an increasing sense of the fragile nature of this Country's natural resources. Accordingly, the Department's mission focused primarily on the preservation, management, understanding, and use of the great natural and cultural resources of the land.

Today, the Department manages the Nation's public lands and minerals including providing access to public lands and the Outer Continental Shelf for renewable and conventional energy; is the steward of 20 percent of the Nation's lands including national parks, national wildlife refuges, and the public lands; is the largest supplier and manager of water in the 17 western States and a supplier of hydropower energy; and upholds Federal trust responsibilities to Indian Tribes and Alaska Natives. It is responsible for migratory wildlife conservation; historic preservation; endangered species conservation; surface-mined lands protection and restoration; mapping, geological, hydrological, and biological science for the Nation; and financial and technical assistance for the Insular areas.

Interior's budget covers a broad spectrum of activities, both to protect the Nation's resources and to ensure equity in their use. These activities include: operation of the National Park Service and the Fish and Wildlife Service; land management responsibilities of the Bureau of Land Management; delivery of quality services to American Indians and Alaska Natives; OCS management responsibilities of the Bureaus of Ocean Energy Management and Safety and Environmental Enforcement; research, data collection, and scientific activities of the U.S. Geological Survey; water management projects of the Bureau of Reclamation; regulatory responsibilities and reclamation activities of the Office of Surface Mining; and support for U.S. Territories and other Insular areas.

^{1/} Robert Utley and Barry Mackintosh, *"The Department of Everything Else: Highlights of Interior History"*, 1988, pp 1-2.

Departmental Overview



Under the banner of America's Great Outdoors, President Obama has made it clear that conservation is a priority for this Administration. We will continue to invest in land and water projects that have the backing of communities who depend on the job creating power of the outdoor economy.

*Ken Salazar, Secretary of the Interior
October 12, 2011*

The mission of the Department of the Interior is simple but profound—to protect America's natural resources and cultural heritage and honor the Nation's trust responsibilities to American Indians and Alaska Natives.

Interior's people and programs impact all Americans. The Department is the steward of 20 percent of the Nation's lands. Interior manages the resources on the national parks, national wildlife refuges, and public lands and assists States, Tribes, and others in the management of natural and cultural resources. On public lands and the Outer Continental Shelf, Interior provides access for renewable and conventional energy development and manages the protection and restoration of surface mined lands. The Department of the Interior oversees the responsible development of 24 percent of America's domestic oil and gas supplies, ensuring safety and environmental protection and the effective collection of revenue for the American public. The Department is also the largest supplier and manager of water in the 17 Western States, assists others with water conservation and extending water supplies, and provides hydropower resources used to power much of the Country.

Interior works to ensure that America's spectacular landscapes, unique natural life, and cultural resources and icons endure for future generations, tells and preserves the American story, and maintains the special places that enable the shared American experience. At the same time, Interior manages many of the Nation's natural resources – oil and gas, coal, and minerals such as gold and uranium. Interior manages and delivers water, arbitrates long-standing conflicts in water allocation and use, and actively promotes water conservation. As one of

the Nation's primary natural and cultural resource stewards, the Department makes decisions regarding potential development on the public lands and offshore coastal areas that can greatly impact the Nation's energy future and economic strength. Factored in this balance is the Department's unique responsibility to American Indians and Alaska Natives. The Department supports cutting edge research in the earth sciences – geology, hydrology, and biology – to inform resource management decisions at Interior and organizations across the world and in earthquake, volcano, and other hazards to protect communities across the Nation. Maintaining and building the capacity to carry out these responsibilities on behalf of the American people is Interior's primary focus.

Powering America's Economy – Stewardship of America's lands and natural resources is at the heart of the national economy – from the responsible development of natural resources and increasingly, the economic power of outdoor recreation.

In 2011, the Department of the Interior generated a total of \$13.2 billion in receipts benefitting the U.S. Treasury – from a combination of royalties, rents and bonuses from mineral, timber, and other natural resource development. The Department estimates that conventional and renewable energy produced on Interior lands and waters results in about \$230 billion in economic benefits each year. In 2011, of the total receipts generated by Interior, \$11.3 billion was collected from energy production on public lands, tribal lands, and Federal offshore areas – a \$2.0 billion increase over the previous year – with receipts disbursed among Federal, State, and tribal governments. The Department estimates that other mineral development activities on Federal

lands supported an additional \$16 billion in economic activity in 2010. The use of water, timber, and other resources produced from Federal lands supported about 370,000 jobs and \$48 billion in economic activity.

Since 2008, oil production from the Federal OCS has increased by 30 percent, from 450 million barrels to more than 589 million barrels in 2010. Balancing the need for safety and environmental enforcement, Interior currently manages over 35 million acres of the OCS under active lease. A recently proposed five-year oil and gas leasing program would make more than 75 percent of undiscovered technically recoverable oil and gas estimated on the OCS available for development.

Onshore, the Bureau of Land Management held 32 onshore oil and gas lease sales in 2011. The BLM offered 1,755 parcels of land covering nearly 4.4 million acres. Nearly three-quarters or 1,296 of those parcels of land offered were sold, generating about \$256 million in revenue for American taxpayers. This was a 20 percent increase in lease sale revenue over 2010, following a strong year in which leasing reform helped to lower protests and increase revenue from onshore oil and gas lease sales on public lands. The BLM recently has seen a 50 percent jump in industry proposals to lease for oil and gas exploration. Oil and gas companies nominated nearly 4.5 million acres of public minerals for leasing in 2011, up from just under 3 million acres the year before. Industry nominations are the first step in the BLM leasing process. After evaluating the parcels, BLM may offer them at auction. Winning bidders can then apply to drill for oil and gas.

Interior is moving aggressively to put the President's energy strategy, *Blueprint for a Secure Energy Future*, into action and expand secure energy supplies for the Nation – a strategy that includes the responsible development of renewable energy sources on the public lands. At the start of this Administration, there were no solar energy facilities sited on the public lands, and wind energy development was relatively limited compared to development on private lands. Since March 2009, 29 onshore projects that increased approved capacity for production and transmission of power have been approved including the first ever utility scale solar project, five wind projects, and eight geothermal projects. The Cape Wind Energy Project, approved for construction and operation, is the first ever offshore commercial wind operation. The 2013 budget reflects an expansion of these accomplishments with the goal of permitting 11,000 megawatts

by the end of 2013. The Energy Information Administration's 2011 Annual Energy Outlook projects a growth in renewable energy's share of U.S. energy supplies from eight percent to 13 percent by the year 2035.

The President's *Blueprint* recognizes the economic potential of renewable energy development. The economic benefits could be particularly significant in America's remote and rural places near public lands. Analysts at the National Renewable Energy Laboratory are studying the potential economic benefits of wind power in rural America. A recent study of potential benefits in Nebraska estimates that building 7,800 megawatts of wind power could boost employment by roughly 2,200 to 4,000 each year just from construction and 1,000 to 2,000 each year during operations.

The Bureau of Reclamation is the largest supplier and manager of water in the West and the Nation's second largest producer of hydroelectric power. These projects and programs are critical to driving and maintaining economic growth. There are 58 hydroelectric power plants at Reclamation facilities which generate over 40 billion kilowatt hours of electricity to meet the annual needs of over 3.5 million households and provide approximately \$940 million in revenues. It would take more than 23.5 million barrels of crude oil or about 6.8 million tons of coal to produce an equal amount of energy with fossil fuels. As a result, Reclamation's facilities eliminate the production of over 27 million tons of carbon dioxide that would have been produced by fossil fuel power plants.

Growing the Economy Outdoors – Interior is at the forefront of the Administration's comprehensive effort to spur job creation by making the United States the world's top travel and tourism destination. In a recent statement, President Obama cited Department of Commerce figures showing that in 2010, international travel resulted in \$134 billion in U.S. exports. International travel to the U.S. is the Nation's largest service export industry, with seven percent of total exports and 24 percent of service exports. The Bureau of Economic Analysis estimates that every additional 65 international visitors to the United States can generate enough exports to support an additional travel and tourism-related job. According to the travel industry and Bureau of Economic Analysis, international travel is particularly important as overseas or "long-haul" travelers spend on average \$4,000 on each visit.

Every year, tens of millions of tourists from all over the world come and visit America. And the more folks who visit America, the more Americans we get back to work. We need to help businesses all across the Country grow and create jobs; compete and win. That's how we're going to rebuild an economy where hard work pays off, where responsibility is rewarded, and where anyone can make it if they try.

President Barack Obama
January 19, 2012



April 9, 2011, The President greets tourists at the Lincoln Memorial.
Official White House Photo by Pete Souza

President Obama has asked Secretary Salazar to co-chair an interagency task force with the Secretary of Commerce to develop a National Travel and Tourism Strategy to expand job creation by promoting domestic and international travel opportunities throughout the United States. A particular focus of the Task Force will be on strategies for increasing tourism and recreation jobs by promoting visits to the national treasures. The Department of the Interior manages iconic destinations in the national parks, wildlife refuges, cultural and historic sites, monuments, and other public lands that attract travelers from around the country and the globe. In 2010, 437 million visits were made by American and international travelers to these lands, contributing \$47.9 billion in economic activity and 388,000 jobs. Eco-tourism and outdoor recreation also have an impact on rural economies, particularly in Arizona, California, Colorado, Florida, Nevada, North Carolina, Oregon, Utah, and Wyoming.

Interior is working to maximize the benefit of the outdoors for the millions of Americans at home. Hunting, fishing, and outdoor recreation contribute an estimated \$730 billion to the U.S. economy each year. More than 12 million Americans hunt; more than 30 million Americans fish; and three out of four Americans engage in some kind of healthy outdoor activity. One in twenty U.S. jobs are in the recreation economy.

Through the America's Great Outdoors initiative, the Administration continues to expand opportunities for recreation – through partnerships with States and others and the promotion of America's parks, refuges, and public lands. The 2013 budget requests \$5.1 billion in support of this initiative, a \$145.6 million increase compared to 2012. Funding is focused on programs supported through the Land and Water Conservation Fund, land management operations, and other grant and technical assistance programs that promote conservation and improve recreational access.

By encouraging innovative partnerships in communities across the Nation, the Administration is expanding access to rivers and trails, creating wildlife corridors, and promoting conservation while working to protect historic uses of the land including ranching, farming, and forestry. As part of America's Great Outdoors, there are 101 signature projects across the Country to make parks accessible for children, create great urban parks and community green spaces, restore rivers, and create recreational blueways to power economic revitalization.

Among these priority projects is the Los Angeles River Trail. Almost 5.7 million people live within ten miles of the trail, which connects urban residents to a network of the region's great parks and outdoor recreation areas. The City of Los Angeles has committed to connecting people to the River and trail through the Los Angeles River Revitalization Master Plan, which has identified more than 240 potential projects to restore riverside habitat, increase public access to the River, and promote recreational opportunities around the River. As part of America's Great Outdoors, in 2012, Interior and other Federal agencies will partner with State and local stakeholders to focus on supporting the City of Los Angeles' efforts to implement the Los Angeles River Revitalization Master Plan along the nine-mile Glendale Narrows reach of the River, with a focus on recreation. Interior and partners will improve recreational opportunities by enhancing existing

trails, developing a sign program for access and interpretation, and assess water-based recreation such as kayaking and canoeing.

The America's Great Outdoors initiative is being done with local partners across the Country. In January of this year, Secretary Salazar accepted the first donation of land in south-central Florida to officially establish the Everglades Headwaters National Wildlife Refuge and Conservation Area – conserving one of the last remaining grassland and longleaf pine savannah landscapes in eastern North America. The new refuge and conservation area – the 556th unit of the national wildlife refuge system – was established with the support of local ranchers, farmers, and landowners who are working cooperatively with Interior and the Fish and Wildlife Service to conserve the wildlife values on their lands while retaining their right to raise livestock or crops, an approach championed by the Obama Administration.

The Everglades Headwaters National Wildlife Refuge and Conservation Area is one example of the new parks and refuges Interior has recently established to protect key natural and cultural resources for future generations. In addition to 650 miles of new national trails, designation of several national natural and historic landmarks, Interior welcomes the Martin Luther King, Jr. Memorial in Washington, D.C.; the Paterson Great Falls National Historical Park in New Jersey; the Fort Monroe National Monument in Virginia; the Dakota Grassland Conservation Area in North and South Dakota; New Mexico's first urban national wildlife refuge, the Middle Rio Grande National Wildlife Refuge in Albuquerque; and a signature America's Great Outdoors project in the Crown of the Continent Conservation Area in Montana. Interior launched significant efforts to protect America's enduring icons including upgrading the Statue of Liberty, initiating repairs to earthquake damage at the Washington Monument, and withdrawal of over one million acres in the vicinity of the Grand Canyon from additional uranium and hardrock mining, to protect and preserve the natural beauty of the Grand Canyon.

Spurring Growth and Innovation Through Science– Investments in research and development promote economic growth and innovation, ensure American competitiveness in a global market, and are critical to achieving the mission of the Department of the Interior. Investments in Interior's research and development will improve U.S. strategic mineral supplies, water use and availability, and natural

hazard preparedness. Sustainable stewardship of natural resources requires strong investments in research and development in the natural sciences.

Research and development funding is increased by \$64.0 million in the 2013 budget, with funding increases for the Bureau of Ocean Energy Management, Bureau of Safety and Environmental Enforcement, BLM, Reclamation, USGS, FWS, and NPS. As a result of these investments, Interior will address critical challenges in energy production and the management of ecosystems, invasive species, public lands, and water.



Recent technology and operational improvements have led to increased use of hydraulic fracturing in developing natural gas resources. To ensure the prudent and sustainable development of this important source of domestic energy, economic development, and job creation, the 2013 budget invests in research and development that proactively addresses concerns about the potential impacts of hydraulic fracturing on air, water, ecosystems, and seismicity or earthquakes. The 2013 budget supports a \$45 million interagency research and development initiative among USGS, the Department of Energy, and the Environmental Protection Agency aimed at understanding and minimizing potential environmental, health, and safety impacts of shale gas development and production through hydraulic fracturing.

Reclamation is researching whether the use of *Pseudomonas fluorescens*, a common bacterium found in soil and water, can be used to control zebra and quagga mussels – two invasive species that have significant impacts on Reclamation and other water

infrastructure. Unlike mechanical treatments, these treatments should not require facilities to shut down ongoing operations and can be applied to pipes with small diameters. Moreover, bacterium has been found to work faster and with less environmentally hazardous effects or byproducts than traditional biocide treatments.

The BOEM is working with the University of Texas and a team of arctic researchers on a five year comprehensive study of the Hanna Shoal ecosystem in the Chukchi Sea off Alaska's northwest coast. Past studies have identified this area as an important biological ecosystem, which supports a high concentration of marine life. Valuable data on physical and biological processes in the area obtained from this research effort will be combined with the results of previously conducted studies. The resulting information will be used by industry, as well as by BOEM in decisions regarding energy development in this region, and will be included in future National Environmental Policy Act analyses.

In 2011, USGS used cutting edge technology to complete the genome sequencing of the fungus that causes the skin infection that is a hallmark of the White-nose Syndrome that is decimating bat populations. This sequencing will support further research is necessary to develop management strategies to mitigate the spread of the syndrome among bats. Recognizing the impact of this is not limited to wildlife health, USGS and university partners produced a study which determined that bats contribute \$3.7 billion to the agricultural economy by eating pests that are harmful to agricultural and forest commodities. The 2013 budget provides \$1.8 million for USGS to conduct further research and development to address this critical issue.

Delivering Sustainable Growth through Water – Reclamation maintains 476 dams and 348 reservoirs with the capacity to store 245 million acre-feet of water. The bureau manages water for agricultural, municipal, and industrial use, and provides flood control and recreation for millions of people. Reclamation's activities, including recreation, generate estimated economic benefits of over \$55 billion and support nearly 416,000 jobs.

These facilities deliver water to one in every five western farmers to irrigate about ten million acres of land, and provide water to over 31 million people for municipal and industrial uses and other non-agricultural uses. The water managed by Interior irrigates an estimated 60 percent of the Nation's

vegetables each year. Reclamation facilities also reduce flood damages in communities where they are located and thereby create an economic benefit by sparing these communities the cost of rebuilding or replacing property damaged or destroyed by flood events. The value of avoided flood damages for each region is about \$1.2 million per year.

WaterSMART, established in 2010, has assisted communities in improving conservation, increasing water availability, restoring watersheds, resolving long-standing water conflicts, addressing the challenges of climate change, and implementing water rights settlements. The program has provided more than \$85 million in funding to non-Federal partners, including Tribes, water districts, and universities, including \$33 million in 2011 for 82 WaterSMART grant projects. In December, Interior released a report on the effectiveness of the WaterSMART program, which demonstrates the importance of this work to the sustainability of resources in the Colorado River Basin.

Another example of Interior's efforts to stretch water resources is the Yuma Desalting Plant in Arizona. This completes the year-long pilot operation of the Plant in collaboration with three major California, Arizona, and Nevada water agencies. Reclamation demonstrated the capability of the Plant to augment Lower Colorado River supplies. The pilot produced sufficient water for use by about 116,000 people in a year. Reclamation and the regional water agencies are reviewing the results of this effort to evaluate the potential for long-term and sustained operation of the desalting plant.

Encouraging Economic Development in Indian Country and Honoring Trust Responsibilities–The Department has a unique responsibility to American Indians and Alaska Natives, which is upheld by Interior's support for a robust government-to-government relationship as demonstrated by a new comprehensive and transparent consultation policy that ensures there is a strong, meaningful role for tribal governments. The Department and the President hosted the third White House Tribal Nations Conference in December 2011, bringing together tribal leaders from across the United States and enabling tribal leaders to interact directly with Administration representatives and identify priority actions for American Indians and Alaska Natives.

In 2011, Interior started planning to implement the landmark \$3.4 billion settlement of the *Cobell v. Salazar* lawsuit, and appointed a Secretarial



Commission on Trust Administration and Reform to oversee implementation of the Settlement agreement. The Commission is undertaking a forward looking, comprehensive evaluation of Interior's management of nearly \$4 billion in American Indian trust funds – with the goal of making trust administration more transparent, responsive, customer focused, and accountable.

The Department held regional consultations across the Country to set the framework for the Cobell land consolidation program. The Settlement establishes a \$1.9 billion fund for the voluntary buy-back and consolidation of fractionated land interests to provide individual American Indians with an opportunity to obtain cash payments for divided land interests and consolidate holdings for economic and other uses, a significant benefit for tribal communities. Almost four million individually owned interests involving nearly nine million acres have been identified as part of this effort.

To further encourage and speed up economic development in Indian Country, the Department took a significant step forward announcing the sweeping reform of antiquated, “one-size-fits-all” Federal leasing regulations for the 56 million surface acres the Federal government holds in trust for Tribes and individual Indians. The proposed rule identifies specific processes – with enforceable timelines – through which the Bureau of Indian Affairs must review leases. The regulation establishes separate, simplified processes for residential, business, and renewable energy development, so that, for example, a lease for a single family home is distinguished from a large solar energy project. The proposed regulation incorporates many changes requested by tribal leaders during extensive consultations this past year to better meet the goals of facilitating and expediting the leasing process for trust lands. During the initial consultation period more than 2,300 comments were received from more than 70 Tribes

as well as several Federal agencies, including the Departments of Housing and Urban Development, Agriculture, and the Internal Revenue Service. The BIA regulatory drafting workgroup is expected to review the comments and publish the final rule in 2012.

The Claims Resolution Act of 2010 settled the Cobell lawsuit and four settlements that will provide permanent water supplies and economic security for the Taos Pueblo of New Mexico and Pueblos of New Mexico named in the Aamodt case, the Crow Tribe of Montana, and the White Mountain Apache Tribe of Arizona. The agreements will enable construction and improvement of reservation water systems, irrigation projects, a regional multi-pueblo water system, and codify water-sharing arrangements between Indian and neighboring communities. The primary responsibility for constructing water systems associated with the settlements was given to Reclamation; and BIA is responsible for the majority of the trust funds.

Reclamation is requesting \$21.5 million in 2013 for the continued implementation of these four settlements and \$25.0 million for the Navajo-Gallup Water Supply project. Reclamation is establishing an Indian Water Rights Settlements account to assure continuity in the construction of the authorized projects and to highlight and enhance transparency. In total, the Indian Affairs budget includes \$36.3 million for ongoing Indian land and water settlements, which includes \$9.5 million for the seventh and final payment for the Nez Perce/Snake River Water Rights Settlement.

A key responsibility for Indian Affairs is ensuring and improving the safety of Indian communities. Some Indian reservations experience violent crime rates that are twice the national average. The high crime rates are a key issue for tribal leaders as they degrade the quality of life for residents, attract organized crime, and are a real disincentive for businesses to consider these communities for economic development. The year 2011 was the second year of a two-year pilot at four reservations to conduct expanded community policing, equip and train the law enforcement cadre, partner with the communities to organize youth groups and after school programs, and closely monitor results. The results exceeded expectations with a 35 percent overall decrease in violent crime in the four communities. Information about the four reservations is being analyzed and the program will be expanded in 2013 to an additional two communities. The 2013

BUDGET AUTHORITY AND RECEIPTS

(millions of dollars)

	2011 Actual	2012 Enacted	2013 Request	Change
BUDGET AUTHORITY				
Total Current Appropriations <i>(w/o resc and cancel)</i>	12,064	11,518	11,730	+212
Rescissions and Cancellations	-253	-86	-200	-114
Total Current Appropriations <i>(w/ resc and cancel)</i>	11,811	11,432	11,530	+98
Permanent Appropriations.....	6,263	8,032	6,015	-2,017
TOTAL	18,074	19,464	17,545	-1,919
<i>[Net discretionary BA]</i>	<i>[11,632]</i>	<i>[11,266]</i>	<i>[11,377]</i>	<i>[+111]</i>
RECEIPTS				
Outer Continental Shelf	6,412	7,881	6,969	-912
Onshore Mineral Leasing	4,196	4,279	4,413	+134
Other Offsetting Receipts	1,804	3,567	1,718	-1,849
Other Receipts	772	781	769	-12
TOTAL	13,184	16,508	13,869	-2,639

budget includes \$353.9 million for Public Safety and Justice programs, a program increase of \$8.5 million to support this expansion and other public safety activities.

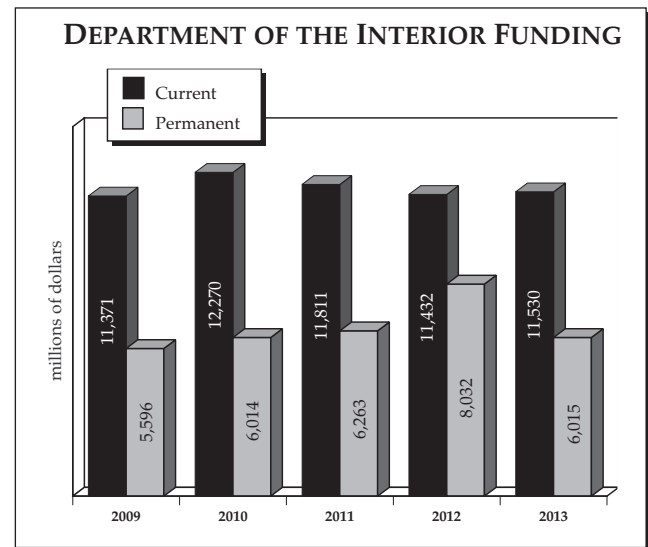
INTERIOR'S BUDGET IN CONTEXT

President Obama has challenged agencies to encourage American innovation, employ and educate young people, rebuild America, and promote economic development. Interior's 2013 budget invests in areas that are responsive to these challenges and more. This budget continues funding for important programs that will protect the Nation's significant natural resources and cultural heritage, makes strategic investments in energy development, advances partnerships to leverage resources, and seeks improved outcomes for Indian communities. At the same time, this budget recognizes the need for fiscal responsibility. The priority programs that are level funded with 2012 and limited strategic investments proposed in 2013 are balanced by reductions in other lower priority programs.

Taking Fiscal Responsibility – Interior's 2013 budget decisions were made in context of the challenging fiscal environment. The 2013 budget of \$11.5 billion eliminates and reduces lower priority programs, defers project start-ups, reduces duplication, streamlines operations, and captures savings.

The 2013 request is \$97.9 million, essentially level with 2012 enacted and \$280.4 million below 2011.

The 2013 budget contains program terminations and reductions totaling \$516.8 million from the 2012 enacted level. Staffing reductions of 591 are planned for 2013, a reduction of 741 from 2011 levels. These personnel reductions are focused on areas where there are funding reductions. Staffing reductions will be achieved through attrition, outplacement, and buy-outs in order to minimize the need to conduct reductions in force to the greatest extent possible.



This budget is responsible, with strategic investments in a few, targeted areas, and maintains the core functions that are vital to uphold stewardship responsibilities and sustain key initiatives. The budget also continues efforts to shift program costs to industry where appropriate. Permanent funding that becomes available as a result of existing legislation without further action by the Congress results in an additional \$6.0 billion, for \$17.5 billion in total budget authority for Interior in 2013.

Administrative Savings – As part of the Administration’s Campaign to Cut Waste, the Department will achieve additional administrative efficiencies that result in cumulative savings of \$207.0 million from 2010 to 2013. These reductions are being implemented throughout Interior and result from changes in how the Department manages travel, employee relocation, acquisition of supplies and printing services, and the use of advisory services. The proposed savings in administrative functions will not have an impact on programmatic performance, and to the greatest extent possible savings will be redirected into priority programmatic areas.

The Department’s 2013 budget reflects a freeze on Federal salaries for 2012 and a 0.5 percent pay increase in 2013. The budget fully funds fixed costs for the civilian pay increase, anticipated changes in the Federal contributions to health benefits, rent increases, changes in workers and unemployment compensation costs, programs financed through the Working Capital Fund, and specific contract requirements for Section 638 agreements.

Cost Recovery – Significant portions of Interior’s budget are funded by cost recovery, offsetting collections, and discrete fees linked to uses of lands and resources. The budget proposes to increase cost recovery to offset the cost of some resource development activities that provide clear benefits to customers. The proposed fees on oil and gas inspections are consistent with the recommendations of the National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling. The Commission’s report stated the oil and gas industry should be “required to pay for its regulators” so that the costs of regulation “would no longer be funded by taxpayers but instead by the industry that is permitted to have access to a publicly owned resource.”

The budget includes \$48.0 million from new inspection fees to be paid by onshore oil and gas producers. Instituting these fees will allow for a \$10.0 million program increase to be used to strengthen the BLM

inspection program, along with a \$38.0 million decrease in current appropriations for BLM as a whole. Similar fees were proposed in 2012 but not adopted due to concerns about impacts on the producers. The fees would be on average, 0.2 percent of the annual income collected by the producers. In addition to the proposed onshore inspection fees, estimated fee collections from the offshore oil and gas inspections instituted in 2012 are slightly increased in 2013 to \$65.0 million. This fee-based funding is critical to maintaining the Administration’s aggressive implementation of a robust offshore safety program.

The 2013 budget proposes a new grazing administrative fee of \$1.00 per animal unit month on a three-year pilot basis. The fee is estimated to generate \$6.5 million in 2013 and will be used to assist BLM in processing grazing permits. During the period of the pilot, BLM would work through the process of promulgating regulations for the continuation of the grazing fee as a cost recovery fee after the pilot expires.

The 2013 budget continues an offsetting collection initiated in 2012, allowing the Office of Surface Mining, Reclamation and Enforcement to retain coal mine permit application and renewal fees for the work performed as service to the coal industry. An estimated \$3.4 million will be collected in 2013.

SUMMARY OF MAJOR CHANGES

The Department’s 2013 budget request totals \$11.5 billion in current authority. This is an increase of \$97.9 million or essentially level with 2012 enacted. Of this, \$10.5 billion is requested for programs funded by the Interior, Environment, and Related Agencies Appropriations Act. This is \$140.3 million, or 1.4 percent, above the 2012 level. The 2013 request for the Bureau of Reclamation including the Central Utah Project Completion Act, funded in the Energy and Water Development Appropriations Act, is \$1.0 billion in current appropriations, \$42.4 million or 3.9 percent below the 2012 level.

Interior continues to generate more revenue for the U.S. Treasury than its annual appropriation. In 2013, Interior will generate receipts of approximately \$13.9 billion and propose mandatory legislation with a total net savings of \$2.5 billion over ten years.

Bureau of Land Management – The 2013 request is \$1.1 billion, essentially level with the 2012 enacted budget. This includes a decrease of \$8.2 million for

SUMMARY OF MAJOR CHANGES

(millions of dollars)

INTERIOR, ENVIRONMENT, AND RELATED AGENCIES

Fixed Costs.....	[+92.3]
BLM	
Oil and Gas Management Inspect. (<i>shift to fees</i>)..	-38.0
Grazing Permit Renewal and Monitoring.....	-15.8
Alaska Conveyance	-12.3
Wild Horse and Burro Management R&D	+2.0
Coal/Other Mineral Resources Inspections.....	+4.4
Renewable Energy	+7.1
Oil and Gas Leasing, and Oversight	+13.0
Land Acquisition.....	+11.2
Sage Grouse Conservation Activities.....	+15.0
Oil and Gas Management Inspection Fees.....	[+48.0]
BOEM	
Renewable Energy Auction Support.....	+1.4
BSEE	
Environmental Enforcement	+4.2
Operations, Safety, and Regulation	+14.7
OSM	
Regulatory Grants.....	-10.9
State Program Evaluations	+4.0
USGS	
Cooperative Water Program.....	-4.7
Hydrologic Networks and Analysis	-2.6
Asian Carp	+3.0
Science Support for Interior Bureaus	+6.6
Science for Coastal and Ocean Stewardship....	+6.8
Rapid Disaster Response	+8.6
Water Availability and Use Assessment	+13.0
Hydrologic Fracturing	+13.0
FWS	
Coastal Impact Assistance (<i>cancel of balances</i>).....	-200.0
National Wildlife Refuge Fund.....	-14.0
Coop Endangered Species Conserve Fund	+12.3
Operations.....	+20.9
Land Acquisition.....	+52.3

NPS	
Construction	-24.2
National Recreation and Preservation.....	-7.8
Land Acquisition.....	+2.5
Operations.....	+13.5
State Conservation Grants.....	+15.1
BIA	
Organizational Streamlining	[-19.7]
Construction	-17.7
Executive Direction.....	-12.0
Settlements	+3.5
Trust Natural Resources Programs	+4.9
Public Safety and Justice Programs.....	+7.7
Tribal Government Programs	+9.8
Departmental Offices/Department-wide Programs	
Financial and Business Management System...	+10.2
Wildland Fire	
Hazardous Fuels	-39.0
Suppression	+195.8
Insular Affairs Technical Assistance.....	-6.3
Insular Affairs Compact Impact	+5.0

ENERGY AND WATER DEVELOPMENT

Reclamation	
Central Valley Project	-33.6
Animas-La Plata Project.....	-10.3
Central Utah Project	-7.7
California Bay-Delta Restoration.....	-3.7
Dam Safety Program	+4.0
Klamath Basin Restoration Agreement	+7.1
Mni Wiconi Project.....	+9.2
WaterSMART Grants.....	+9.3

BLM's two operating accounts, an increase of \$11.2 million for Land Acquisition, and a reduction of \$3.6 million that eliminates the Construction account.

To advance the America's Great Outdoors initiative, the request includes \$6.3 million in programmatic increases for recreation, cultural resources, and the National Landscape Conservation System for BLM to expand and improve opportunities for recreation, education, and scientific activities while enhancing the conservation and protection of BLM managed lands and resources. The BLM will continue to promote and facilitate the development of renewable energy on public lands, as part of the New Energy Frontier initiative. The 2013 budget includes a pro-

gram increase of \$7.0 million for renewable energy to support wind, solar, and geothermal energy. An additional \$13.0 million in program increases are requested to maintain and strengthen management of the oil and gas program. These increases are more than offset by a proposal to shift the cost of oil and gas inspection and enforcement activity from current appropriations to inspection fees on industry.

The other major program increase is \$15.0 million to implement sage grouse conservation and restoration measures to help prevent the future listing of the species for protection under the Endangered Species Act. The BLM will use \$10.0 million of the requested increase to incorporate the necessary

protections into BLM's land use plans to address conservation of the sage grouse. These plans will guide energy development, transportation, and other uses and ensure conservation of sage grouse habitat. The remaining \$5.0 million funds on-the-ground projects to restore and improve sage grouse habitat and additional inventory, monitoring, and mapping efforts to delineate areas of highest priority habitat in the range of sage grouse. Other program increases in the BLM budget include \$1.5 million for the Secretary's Western Oregon Strategy, \$2.0 million for research and development on population control in the Wild Horse and Burro Management program, and \$4.4 million in the Resource Management Planning program to support high priority planning efforts.

A \$15.8 million program decrease is proposed in the Rangeland Management program, however, the impact of this funding decrease will be mitigated by a new grazing administration fee of \$1.00 per animal unit month that BLM proposes to implement on a pilot basis through appropriations language, estimated to raise \$6.5 million in 2013. The 2013 budget reduces programmatic funding for the Alaska Conveyance program by \$12.4 million from the 2012 level. Interior will explore opportunities to further streamline the program. A \$3.5 million program reduction is proposed in the Public Domain Forest Management program.

Bureau of Ocean Energy Management – The 2013 operating request is \$164.1 million, including \$62.7 million in current appropriations and \$101.4 million in offsetting collections. This is an increase of \$3.3 million above the 2012 enacted level.

The 2013 budget request includes program increases of \$2.0 million from the 2012 enacted level for activities to promote offshore conventional and renewable energy development that is safe and environmentally responsible. Increased funding will be used to develop baseline characterization and monitoring capabilities in the Gulf of Mexico that are required as a result of the Deepwater Horizon incident, as well as to support renewable energy lease auctions.

Bureau of Safety and Environmental Enforcement – The 2013 operating request is \$222.2 million, including \$96.3 million in current appropriations and \$125.9 million in offsetting collections. This is an increase of \$24.8 million above the 2012 enacted level. The \$4.8 million increase for offsetting collections includes \$3.0 million in inspection fees.

The 2013 budget includes funds to increase operational safety capabilities, develop the National Offshore Training and Learning Center for inspectors, and conduct research and development activities on critical safety systems associated with offshore oil and gas development.

Office of Surface Mining – The 2013 budget request is \$140.7 million, a decrease of \$9.5 million from the 2012 enacted level. The reduction reflects decreases in grants to States and Tribes to encourage regulatory programs to recover costs from fees charged to the coal industry and finalize the transition of abandoned mine land reclamation from discretionary to mandatory funding.

Secretary Salazar signed a Secretarial Order on October 26, 2011, to review certain functions of OSM and BLM for potential consolidation. As part of this effort, Secretary Salazar has asked the Directors of OSM and BLM and other Interior officials to report by February 15, 2012 on the results of consultation with the bureaus' employees, congressional committees, and interested parties, such as Tribes, State regulatory officials, industry representatives, and representatives of communities affected by coal mining.

Bureau of Reclamation – The 2013 budget request totals \$1.0 billion, including the Central Utah Project Completion Act program. On a comparable basis to include CUPCA funding, this is a decrease of \$42.4 million below the 2012 enacted level. Interior's 2013 budget proposes to consolidate the CUPCA program with the Bureau of Reclamation. This will allow the Department to evaluate the priority of the CUPCA program in the context of other water programs. The 2013 CUPCA request is \$21.0 million, a decrease of \$7.7 million from the 2012 enacted level.

Reclamation's 2013 request reflects reductions due to the completion of the construction of Animas-La Plata and the Central Valley Project Red Bluff pumping plant and fish screen, discontinues the Geographically Defined Investigation Programs and Rural Water Program, Title I, and does not continue the following congressional additions in the 2012 enacted budget: fish passage and fish screens; water conservation and delivery studies, projects and activities; and environmental restoration and compliance.

The 2013 budget includes \$7.1 million to begin implementation of actions under the Klamath Basin Restoration Agreement that are currently authorized

under existing law, and some increases in programs such as: rural water projects, which includes a \$9.2 million increase to complete the construction of the Mni Wiconi Project in South Dakota by the 2013 sunset date; the WaterSMART program; and the Safety of Dams program.

Funding for Native American programs in Water and Related Resources shows a reduction of \$52.1 million, reflecting the shift of \$46.5 million to the requested new Indian Water Rights Settlements account and smaller decreases. Reclamation is requesting the establishment of an Indian Water Rights Settlements account in 2013 to assure continuity in the construction of the authorized projects and to highlight and enhance transparency in handling these funds. The total for Reclamation's implementation of Indian water rights settlements in 2013 is \$106.5 million, \$46.5 million in current funding and \$60.0 million in permanent authority.

U. S. Geological Survey—The USGS budget request is \$1.1 billion, \$34.5 million above the 2012 enacted level. The President's budget supports science, monitoring, and assessment activities that are critical to understanding and managing the ecological, mineral, and energy resources that underlie the prosperity and well-being of the Nation. The 2013 budget provides a program increase of \$51.0 million to fund research priorities in disaster response, hydraulic fracturing, coastal and ocean stewardship, and ecosystem restoration. The budget also provides support for the Secretary's initiatives in responsible energy development and further resolution of water challenges with funding above the 2012 enacted level.

The USGS budget also includes investments in important science programs to help meet societal needs. A program increase of \$13.0 million above 2012 for the WaterSMART Program will be used to conduct research on predictive models on regional water availability, explore methods of integrating and disseminating data through science platforms, and establish a National Groundwater Monitoring Network.

A program increase of \$8.6 million is requested to improve rapid disaster response to natural disasters. Funding will be used to improve the capacity to provide timely and effective science and information products to decision makers in order to minimize the risks hazards pose to human and natural systems. Funding will be invested in capability improvements to the USGS monitoring networks for rapid

response to earthquakes, volcanoes, volcanic ash, debris flow, tsunamis, floods, hurricanes, and other potential threats to populations and infrastructure.

The budget includes a program increase of \$13.0 million to support the hydraulic fracturing research and development effort with the Department of Energy and Environmental Protection Agency to understand and minimize potential adverse environmental, health, and safety impacts of shale gas development through hydraulic fracturing. New work will build on existing efforts and address issues such as water quality and quantity, ecosystem impacts, and induced seismicity.

With a program increase of \$16.2 million, USGS will conduct science in support of ecosystem management for priority ecosystems such as the Chesapeake Bay, California Bay-Delta, Columbia River, Everglades, Puget Sound, Great Lakes, Upper Mississippi River, and the Klamath Basin. With an increase of \$2.0 million, the USGS will address overarching ecosystem issues related to the invasive brown tree snake, white-nose syndrome in bats, and coral reef health. These increases will provide information management and synthesis and land change science support for these ecosystem activities. Included in the total above is \$500,000 identified for research efforts through the DOI Climate Science Centers to enhance work with Tribes to understand the impacts of climate change on tribal lands. Funding will directly support the priorities outlined in the report to the President on *Sustaining Environmental Capital: Protecting Society and the Economy*.

The 2013 budget also provides a program increase of \$6.8 million to sustain and enhance existing activities and for a new initiative on Science for Coastal and Ocean Stewardship that supports priority objectives of the National Ocean Policy in the areas of marine and coastal science, resource and vulnerability assessments, ecosystem based management, and providing science based tools to inform policy and management. The USGS will work with partners to provide access to comprehensive maps and assessments of seabed and coastal conditions and vulnerability. The increase will improve the integrated science needed to inform development of resources while conserving the Nation's coastal and marine ecosystems.

Fish and Wildlife Service—The 2013 budget includes \$1.5 billion, an increase of \$72.0 million above the 2012 enacted level. In addition, the budget includes a \$200.0 million cancellation of prior year unobli-

gated balances. The budget includes America's Great Outdoors increases of \$20.9 million in the Resource Management account and \$52.3 million for land acquisition. There is a \$3.9 million increase in FWS conservation grant programs associated with the AGO initiative attributable to the North American Wetlands grants program. Funding for State and Tribal Grants remains at the 2012 level of \$61.3 million. Funding for the Construction account is reduced by \$3.9 million.

The budget proposes a program increase of \$4.0 million for activities associated with energy development. This enables FWS to participate fully in priority landscape level planning and assist industry and States' fish and wildlife agencies as they plan for the siting of renewable energy projects and transmission corridor infrastructure. The 2013 budget continues the commitment to ecosystem restoration by including \$13.5 million, an increase of \$3.0 million for the Everglades; \$4.9 million, level with 2012 funding for California's Bay-Delta; \$10.2 million, level with 2012, for the Gulf Coast; \$10.3 million, a program increase of \$145,000 for the Chesapeake Bay; and \$47.8 million, a program increase of \$2.9 million for the Great Lakes. Funding for the Cooperative Landscape Conservation and Adaptive Science activity is \$33.1 million, an increase of \$856,000. This funding supports the operations of 14 Landscape Conservation Cooperatives.

The budget includes \$994.7 million available under permanent appropriations, most of which will be provided in grants to States for fish and wildlife restoration and conservation.

The 2013 budget proposes a reduction of \$14.0 million to eliminate the discretionary contribution to the National Wildlife Refuge Fund payments to counties to offset local tax loss due to Federal land ownership. An estimated \$8 million in mandatory receipts collected and allocated under the program would remain. Payments collected by counties can be used for non-conservation purposes, as such, this Fund does not provide the high priority conservation benefits delivered by other FWS programs. The budget also proposes the cancellation of \$200 million in prior year balances within the Coastal Impact Assistance Program.

National Park Service – The 2013 budget includes \$2.6 billion, \$1.0 million below the 2012 enacted level. Within the total available for NPS in 2013, \$2.4 billion is for programs that support the goals of the America's Great Outdoors initiative. The

budget proposes strategic increases to advance the goals of the initiative, including increases of \$13.5 million for park operations and \$17.5 million for Land Acquisition and State Assistance. The budget proposes reductions of \$7.8 million in the National Recreation and Preservation account from the National Heritage Areas program, and \$24.2 million from Construction. The request for the Historic Preservation Fund is level with 2012 – grants to States and Tribes are continued at the 2012 level.

Select operations programmatic increases include \$5.0 million for Climate Change Adaptive Management tools, \$2.0 million for U.S. Park Police operations including support of the Presidential Inauguration, \$1.2 million for National Capital Area parks in support of the Presidential Inauguration, and \$610,000 for the Challenge Cost Share program. These increases are offset with strategic reductions of \$24.8 million to park operations and service-wide programs.

Funding for Land Acquisition and State Assistance includes a programmatic increase of \$2.5 million for Federal land acquisition. The Land Acquisition proposal includes \$9.0 million to provide matching grants to States and local entities to preserve and protect Civil War battlefield sites outside the national park system. The budget also requests a programmatic increase of \$15.1 million for the State grant program. The \$60.0 million request for State grants includes \$20.0 million for competitive grants that support urban parks and green spaces, blueways, and landscape level conservation projects in communities that need them the most.

Funding for Construction includes a programmatic reduction of \$25.3 million for line-item construction projects. It also includes programmatic reductions of \$1.5 million from construction program management and planning, \$760,000 from the housing improvement program, \$443,000 from construction planning, \$450,000 from management planning, and \$228,000 from equipment replacement.

Indian Affairs – The 2013 budget includes \$2.5 billion for Indian Affairs programs, a decrease of \$4.6 million from the 2012 enacted level. This includes an increase of \$11.7 million for Operation of Indian Programs and a decrease of \$17.7 million in the Construction account. The budget includes an increase of \$3.5 million in Indian Land and Water Claim Settlements and a decrease of \$2.1 million in the Indian Guaranteed Loan program.

The 2013 request reflects a reduction of \$19.7 million as the bureau will undergo a consolidation in 2013 to streamline and improve oversight operations. The BIA will engage in extensive consultation with Tribes to identify strategies that will ensure tribal needs and priorities are addressed. Following consultation, Indian Affairs will construct an implementation plan for a streamlined, cost-effective organization. The budget also includes \$13.9 million in administrative savings from reductions to fleet, travel, contractors, and awards.

In 2013, Contract Support and the Indian Self-Determination Fund receive the largest program increase, \$8.8 million, in the budget request. Public Safety and Justice activities receive a program increase of \$8.5 million to support additional police officers and detention corrections staff.

The budget proposes program increases of \$7.8 million for the Trust Natural Resources programs and \$7.0 million for Trust Real Estate Services programs. Funding increases for Trust Land Management programs are proposed to assist Tribes in the management, development, and protection of Indian trust land and natural resources. The budget proposes a \$2.5 million program increase to support increasing enrollment at tribal colleges.

Departmental Offices and Department-wide Programs – The 2013 request for the Office of the Secretary is \$261.6 million, a reduction of \$266,000 from the 2012 enacted level. Of this, \$119.6 million is for Office of Natural Resources Revenue programs including a program increase of \$1.2 million to complete termination of the Royalty-in-Kind program and a program decrease of \$2.3 million for completed information management system upgrades. The budget for OS includes a program increase of \$1.6 million for minerals receipts modeling development to improve revenue estimation and reporting capabilities and a program increase of \$2.0 million for facilities rent associated with the delayed Main Interior Building modernization project. Other changes include the proposed transfer of the Indian Arts and Crafts Board and its \$1.3 million from OS to BIA and a program reduction of \$3.7 million across OS.

The Department's 2013 request for the Working Capital Fund appropriation is \$70.6 million, an increase of \$8.7 million from the 2012 enacted level. Within this request is \$62.1 million to continue deployment of the Financial and Business Management System and implementation of the acquisition and

financial assistance functionality as recommended by an independent assessment of the program. The budget proposes an increase of \$3.5 million to improve Interior's stewardship of its cultural and scientific collections and an increase of \$2.5 million to expand collaboration similar to the Service First to improve delivery and operating costs. Proposed reductions include \$5.0 million to reflect the shift of the Department's IT Transformation initiative from appropriated WCF to the Departmental WCF Centralized Bill and \$2.5 million for completion of the Department's Acquisition Improvement initiative in 2012.

Major changes in other Departmental programs include an increase of \$243.0 million in the Wildland Fire Management program. The net increase is comprised of a program increase of \$195.8 million that fully funds the 10-year suppression average and a program reduction of \$39.0 million in the Hazardous Fuels Reduction program reflecting a refocusing of the program toward treatments in the wildland-urban interface.

The budget request for the Office of Insular Affairs is \$88.0 million, a decrease of \$16.4 million from the 2012 enacted level. The budget includes \$5.0 million to mitigate the impacts and costs of Compact migration and \$3.0 million to implement energy projects identified by the Territories' sustainable energy strategies. Funding of \$13.1 million for the Palau Compact is not requested for 2013 as it is expected the Compact will be authorized and funded in 2012.

The Office of the Special Trustee request is \$146.0 million, \$6.1 million below the 2012 enacted level. The 2013 request includes a program increase of \$3.0 million for the Office of Trust Review and Audit to conduct compliance audit reviews for Interior bureaus. The budget includes program decreases of \$9.9 million for streamlining, administrative savings, and the completion of certain trust reform activities.

MANDATORY PROPOSALS

In 2013, Interior will collect \$13.9 billion in receipts and distribute \$6.0 billion in permanent funding without further appropriation for a variety of purposes, under current law. The budget includes 13 legislative proposals that will be submitted to the Congress to collect a fair return to the American taxpayer for the sale of Federal resources, to reduce unnecessary spending, and to extend beneficial authorities of law. Together these proposals will save \$2.5 billion over the next decade.

Reform Coal Abandoned Mine Land Reclamation –

The coal industry as a whole is held responsible for cleaning up abandoned coal mines by paying a fee on production that finances grants to States and Tribes for reclamation. This purpose was lost when Congress authorized additional unrestricted payments to States and Tribes that have already completed their coal mine reclamation work. Furthermore, funds for reclamation are not well targeted at the highest priority abandoned mine lands but instead are distributed by a production-based formula, so that funding goes to the States with the most coal production, not the greatest reclamation needs. States can use their funding for a variety of purposes, including the reclamation of abandoned hardrock mines, for which there is no other source of Federal funding.

The Administration proposes to reform the coal Abandoned Mine Lands program to reduce unnecessary spending and ensure the Nation's highest priority sites are reclaimed. First, the budget proposes to terminate the unrestricted payments to States and Tribes that have been certified for completing their coal reclamation work because these payments do not contribute to abandoned coal mine lands reclamation. Second, the budget proposes to reform the distribution process for the remaining funding to competitively allocate available resources to the highest priority coal abandoned mine lands sites. Through a competitive grant program, a new Abandoned Mine Lands Advisory Council will review and rank the abandoned coal mine lands sites, so OSM can distribute grants to reclaim the highest priority coal sites each year. These reforms will focus available coal fees to better address the Nation's most dangerous abandoned coal mines while saving taxpayers \$1.1 billion over the next ten years.

Create a Hardrock Abandoned Mine Reclamation

Fund – To address the legacy of abandoned hardrock mines across the U.S., Interior will propose legislation to create a parallel Abandoned Mine Lands program for abandoned hardrock sites. Like the coal program, hardrock reclamation would be financed by a new abandoned mine lands fee on the production of hardrock minerals on both public and private lands. The BLM would distribute the funds through a competitive grant program to reclaim the highest priority hardrock abandoned sites on Federal, State, tribal, and private lands. This proposal will hold hardrock mining companies accountable for cleaning up the hazards left by their predecessors while generating \$500 million in savings over 10 years.

Reform Hardrock Mining on Federal Lands –

Interior will submit a legislative proposal to provide a fair return to the taxpayer from hardrock production on Federal lands. The legislative proposal would institute a leasing program under the Mineral Leasing Act of 1920 for certain hardrock minerals including gold, silver, lead, zinc, copper, uranium, and molybdenum, currently covered by the General Mining Law of 1872. After enactment, mining for these metals on Federal lands would be governed by the new leasing process and subject to annual rental payments and a royalty of not less than five percent of gross proceeds. Half of the receipts would be distributed to the States in which the leases are located and the remaining half would be deposited in the Treasury. Existing mining claims would be exempt from the change to a leasing system but would be subject to increases in the annual maintenance fees under the General Mining Law of 1872. Holders of existing mining claims for these minerals could, however, voluntarily convert claims to leases. The Office of Natural Resources Revenue will collect, account for, and disburse the hardrock royalty receipts. The proposal is projected to generate revenues to the U.S. Treasury of \$80.0 million over ten years.

Fee on Non-producing Oil and Gas Leases –

The Administration will submit a legislative proposal to encourage energy production on lands and waters leased for development. A \$4.00 per acre fee on non-producing Federal leases on lands and waters would provide a financial incentive for oil and gas companies to either get their leases into production or relinquish them so the tracts can be leased to and developed by new parties. The proposed \$4.00 per acre fee would apply to all new leases and would be indexed annually. In October 2008, the Government Accountability Office issued a report critical of past efforts by Interior to ensure companies diligently develop their Federal leases. Although the report focused on administrative actions the Department could undertake, this proposal requires legislative action. This proposal is similar to other non-producing fee proposals considered by the Congress in the last several years. The fee is projected to generate revenues to the U.S. Treasury of \$13.0 million in 2013 and \$783.0 million over ten years.

Net Receipts Sharing for Energy Minerals –

The Administration proposes to make permanent the current arrangement for sharing the cost to administer energy and minerals receipts, beginning in 2014. Under current law, States receiving significant payments from mineral revenue development on

Federal lands also share in the costs of administering the Federal mineral leases from which the revenue is generated. In 2013, this net receipts sharing deduction from mineral revenue payments to States would be implemented as an offset to the Interior Appropriations Act, consistent with identical provisions included in the Act since 2008. Permanent implementation of net receipts sharing is expected to result in savings of \$44.0 million in 2014 and \$449.0 million over ten years.

Repeal Oil and Gas Fee Prohibition and Mandatory Permit Funds – The Administration proposes to repeal portions of Section 365 of the Energy Policy Act, beginning in 2014. Section 365 diverted mineral leasing receipts from the U.S. Treasury to a BLM Permit Processing Improvement Fund and also prohibited BLM from establishing cost recovery fees for processing applications for oil and gas permits to drill. Congress has implemented permit fees through appropriations language for the last several years and the 2013 budget proposes to continue this practice. Starting in 2014, upon elimination of the fee prohibition, BLM will promulgate regulations to establish fees for applications for permits to drill administratively. In combination with normal discretionary appropriations, these cost recovery fees will then replace the applications for permits to drill fees set annually through appropriations language and the mandatory permit fund, which would also be repealed starting in 2014. Savings from terminating this mandatory funding are estimated at \$18.0 million in 2014 and \$36.0 million over two years.

Geothermal Energy Receipts – The Administration proposes to repeal Section 224(b) of the Energy Policy Act of 2005. Prior to passage of this legislation, geothermal revenues were split between the Federal government and States with 50 percent directed to States and 50 percent to the Treasury. The Energy Policy Act of 2005 changed this distribution beginning in 2006 to direct 50 percent to States 25 percent to counties, and for a period of five years, 25 percent to a new BLM Geothermal Steam Act Implementation Fund. The allocations to the new BLM geothermal fund were discontinued a year early through a provision in the 2010 Interior Appropriations Act. The repeal of Section 224(b) will permanently discontinue payments to counties and restore the disposition of Federal geothermal leasing revenues to the historical formula of 50 percent to the States and 50 percent to the Treasury. This results in savings of \$4.0 million in 2013 and \$50.0 million over ten years.

Deep Gas and Deepwater Incentives – The Administration proposes to repeal Section 344 of the Energy Policy Act of 2005. Section 344 mandated royalty incentives for certain “deep gas” production on the OCS. This change will help ensure Americans receive fair value for Federally owned mineral resources. Based on current oil and gas price projections, the budget does not assume savings from this change; however, the proposal could generate savings to the Treasury if future natural gas prices drop below current projections.

Repeal of Authorities to Accept Royalty Payments In Kind – The Administration proposes to solidify a recent Departmental reform terminating the Royalty-in-Kind program by repealing all Interior authorities to accept future royalties through this program. This change will help increase confidence that royalty payments will be properly accounted for in the future. The budget does not assume savings from this change because the Administration does not anticipate restarting the program; however, if enacted, this proposal would provide additional certainty that a new Royalty-in-Kind program could not be initiated at some point in the future.

Federal Land Transaction Facilitation Act – The Administration proposes to reauthorize this Act that expired July 25, 2011 and allow lands identified as suitable for disposal in recent land use plans to be sold using the Act’s authority. The sales revenues would continue to be used to fund the acquisition of environmentally sensitive lands and the administrative costs associated with conducting sales.

Federal Migratory Bird Hunting and Conservation Stamps – Federal Migratory Bird Hunting and Conservation Stamps, commonly known as Duck Stamps, were originally created in 1934 as the annual Federal license required for hunting migratory waterfowl. Today, 98 percent of the receipts generated from the sale of these \$15.00 stamps are used to acquire important migratory bird areas for migration, breeding, and wintering. The price of the Duck Stamp has not increased since 1991, while the cost of land and water has increased significantly. The Administration proposes to increase these fees to \$25.00 per stamp per year, beginning in 2013. Increasing the cost of Duck Stamps will bring the estimate for the Migratory Bird Conservation account to approximately \$58.0 million. With these increased receipts, the Department anticipates additional acquisition of approximately 7,000 acres in fee and approximately 10,000 acres in conservation easement in 2013. Total acres acquired for 2013 would

then be approximately 28,000 acres in fee title and 47,000 acres in perpetual conservation easements.

Compact of Free Association – On September 3, 2010, the U.S. and the Republic of Palau successfully concluded the review of the Compact of Free Association and signed a 15-year agreement that includes a package of assistance through 2024. Under the agreement, Palau committed to undertake economic, legislative, financial, and management reforms. The conclusion of the agreement reaffirms the close partnership between the U.S. and the Republic of Palau. Permanent and indefinite funding for the Compact expired at the end of 2009. The 2013 budget seeks to authorize permanent funding for the Compact as it strengthens the foundations for economic development by developing public infrastructure and improving health care and education. Compact funding will also undertake one or more infrastructure projects designed to support Palau's economic development efforts. The Republic of Palau has a strong track record of supporting the U.S. and its location is strategically linked to Guam and U.S. operations in Kwajalein Atoll. The cost for this proposal for 2013-2022 is \$184.0 million.

Extension of Payments in Lieu of Taxes – The PILT payments are currently authorized only through 2012. The budget proposes a one-year extension of mandatory PILT payments at the current authorization levels in 2013. These payments support local government services in counties that have significant Federal lands within their boundaries. The Administration looks forward to working with Congress to develop a longer-term strategy for providing sustainable levels of funding for PILT payments, in light of overall constrained budgets and the need for appropriate offsets for new mandatory spending. This extension utilizes the current PILT payment formula that is prescribed by law and based on population, certain receipt sharing payments, and the amount of Federal land within an affected county. The cost for this proposal in 2013 is estimated at \$398.0 million.

OFFSETTING COLLECTIONS AND FEES

The budget includes several proposals to increase cost recovery fees, so that industries share some of the cost of regulation.

Fee Increase for Offshore Oil and Gas Inspections – Through appropriations language, the Administration proposes to continue the current inspection fee levels authorized by Congress in 2012. These fees

are estimated to generate \$65.0 million in 2013, up from \$62.0 million in 2012, from operators with off-shore oil and gas drilling facilities that are subject to inspection by BSEE. The increased fees will fund an expanded inspection program, and as enacted for 2012, operators will now be charged for the inspection of drilling rigs in addition to production platforms. These inspections are intended to increase production accountability, human safety, and environmental protection.

New Fee for Onshore Oil and Gas Inspections – Through appropriations language, the Administration proposes to implement an inspection fee in 2013 for onshore oil and gas drilling activities that are subject to inspection by BLM. The proposed inspection fee is expected to generate an estimated \$48.0 million in 2013, \$10.0 million more than the corresponding \$38.0 million reduction in requested BLM appropriations, thereby expanding the capacity of BLM's oil and gas inspection program. The fee would support Federal efforts to increase production accountability, human safety, and environmental protection.

Onshore Oil and Gas Drilling Permit Fee – The 2013 budget proposes to continue a fee for processing drilling permits through appropriations language, an approach taken by Congress in the Interior Appropriations Acts. A fee of \$6,500 per drilling permit was authorized in 2010, and if continued, would generate an estimated \$32.5 million in offsetting collections in 2013.

Grazing Administrative Fee – The 2013 budget includes a new grazing administrative fee of \$1.00 per animal unit month. The BLM proposes to implement the fee through appropriations language on a three-year pilot basis. The budget estimates the fee will generate \$6.5 million in funds that will assist the BLM in processing grazing permits. During the period of the pilot, BLM would work through the process of promulgating regulations for the continuation of the grazing fee as a cost recovery fee after the pilot expires.

Surface Mining and Reclamation Permit Fee – The 2013 budget continues an offsetting collection initiated in 2012, allowing OSM, to retain coal mine permit application and renewal fees for the work performed as service to the coal industry. The fee will help ensure the efficient processing, review, and enforcement of the permits issued, while recovering some of the regulatory operations costs from the industry that benefits from this service. The

fee, authorized by section 507 of SMCRA, would permit fee will generate an estimated \$3.4 million apply to mining permits on lands where regulatory in offsetting collections in 2013. jurisdiction has not been delegated to the States. The

DEPARTMENT OF THE INTERIOR FACTS

Land — Interior manages more than 500 million acres or about 20 percent of the land area of the United States, 700 million acres of subsurface minerals, and 53 million acres of submerged land in four Pacific marine national monuments. The Department has jurisdiction over an additional 1.7 billion acres of the Outer Continental Shelf.

Parks, Refuges, and Public Lands — Interior manages 397 units of the national park system, 556 national wildlife refuges, 71 fish hatcheries and one historic fish hatchery, as well as 21 national conservation areas and similarly designated areas, and 16 national monuments in BLM's National Landscape Conservation System.

People — Interior has nearly 70,500 employees located in approximately 2,400 locations across the United States, Puerto Rico, U.S. Territories, and Freely Associated States.

Volunteers — Interior benefits from approximately 307,000 volunteers who provide almost 9.7 million hours of service, valued at an estimated \$196 million per year.

Conservation — Nearly 265,000 acres of high-priority abandoned coal mine sites have been reclaimed through OSM's Abandoned Mine Lands program. The FWS acts to protect over 1,988 endangered and threatened species; 1,381 are in the United States.

Revenues — Revenues collected over the last ten years vary from \$26.0 billion to \$8.3 billion, including revenues from energy, minerals, grazing, timber, land sales, and other revenue producing activities. Interior's estimated revenue projections in 2013 are \$13.9 billion.

Water — Interior is the largest supplier and manager of water in the 17 western States. Reclamation manages 476 dams and 348 reservoirs that deliver irrigation water to 31 million people and to one out of every five western farmers irrigating ten million acres of farmland.

Energy — Interior manages lands, subsurface rights, and offshore areas that produce approximately 24 percent of the Nation's energy, including 23 percent of natural gas, 25 percent of oil, and 44 percent of coal. Federal lands also host a significant portion of the Nation's renewable energy generating capacity including 19 percent of hydropower, one percent of wind power, and 36 percent of geothermal power.

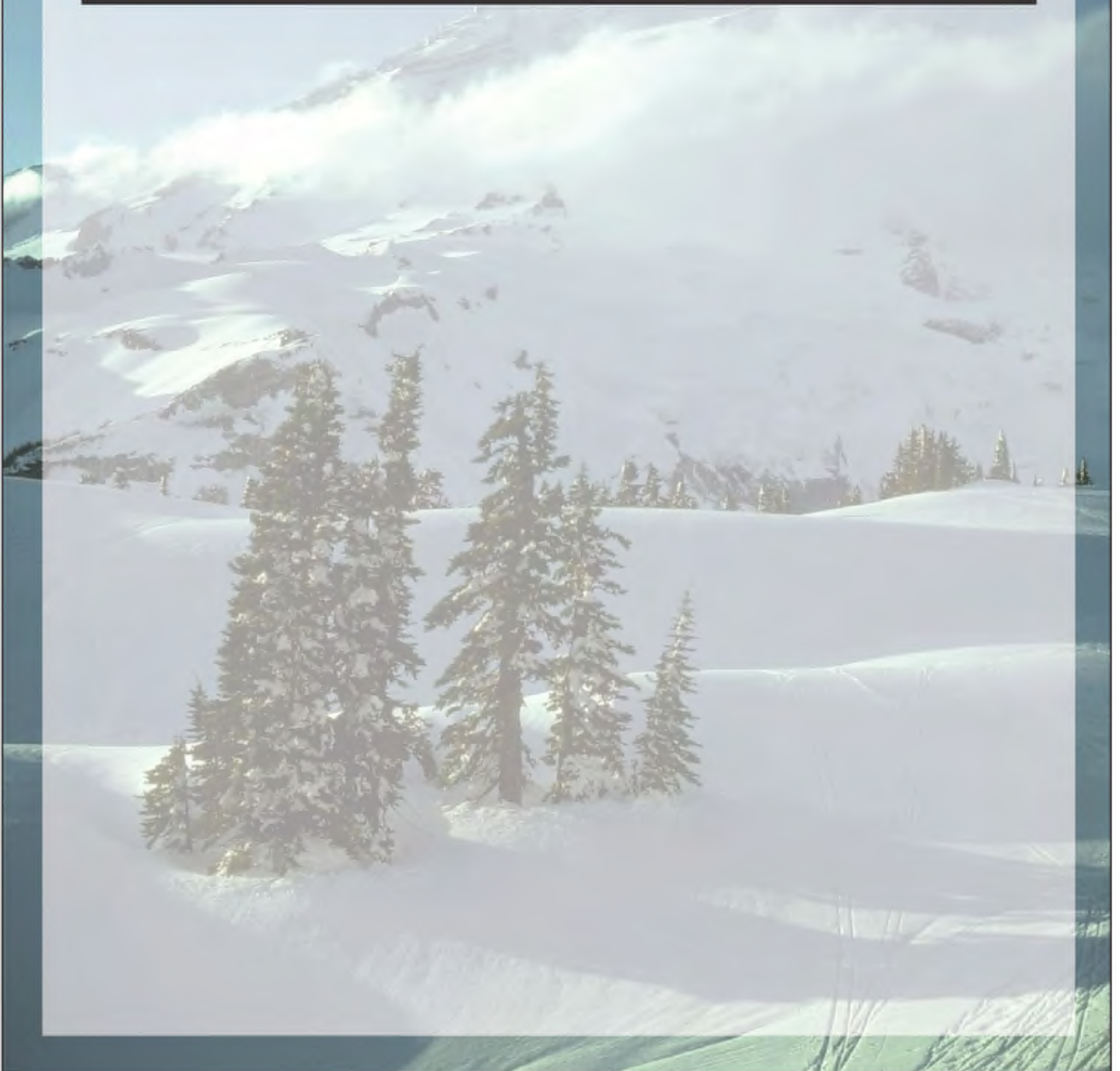
Visitation — Annually, nearly 58 million visits are made to BLM public lands, over 281 million visits to national park units, more than 47 million visits to national wildlife refuges, two million visits to fish hatcheries, and 90 million visits to Reclamation recreation sites.

American Indians — Interior maintains relationships with 566 federally recognized Tribes in the lower 48 States and Alaska, and provides support to a service population of more than 1.7 million people. The BIE provides education services to nearly 41,000 students in 23 States attending 183 elementary and secondary schools and dormitories and supports 31 BIE-funded community colleges, universities, and post-secondary schools. There are 98 BIA-funded corrections programs and 187 BIA-funded law enforcement programs.

American Indian Trust — Interior has responsibility for the largest land trust in the world. Today, the Indian trust encompasses nearly 56 million surface acres and 57 million acres of subsurface mineral estates. On these lands, Interior manages over 100,000 leases for uses such as farming, grazing, and oil and gas production on behalf of individual Indians and Tribes. The Office of the Special Trustee manages over \$3.7 billion of funds held in over 2,900 trust accounts for more than 250 Indian Tribes, and over 380,000 open Individual Indian Monies accounts.

Science — Interior provides objective, multi-discipline science used by resource managers and decision makers in understanding, managing, and protecting the landscape, natural resources, and natural hazards. Data are available to the public from over 7,600 streamgages and over 2,200 earthquake sensors. Over six million satellite scenes have been downloaded from the Landsat archives since being made available at no cost; there were 2.6 million scenes downloaded in 2011 alone. Over 61,000 publications dating back to 1882 are available through the publishing warehouse.

DEPARTMENTAL HIGHLIGHTS





America's Great Outdoors

Easy access to quality outdoor recreation areas is something that all Americans should enjoy – whether they are young or old, live in rural or urban areas, and no matter how, take advantage of the natural world.

*Ken Salazar, Secretary of the Interior
October 12, 2011*

Conservation of our natural, cultural and historic resources is an American tradition, shaping the lives of individuals and the legacy of the Nation and its people. Conservation accomplishments of decades past remain today as treasured national, State, and local parks and forests, as well as historic structures and features that improve public use, access, and appreciation.

Maintaining and expanding this tradition of preserving and protecting natural and cultural heritage is one of the daunting challenges for 21st century America. Land and natural resource development have fragmented the lands, disrupted natural systems, and imperiled productive farmland and woodlands. One out of three acres developed in the United States was developed between 1982 and 2007. Annually, the U.S. now loses about 1.6 million acres of working farms, ranches, and forests to de-

velopment and fragmentation. Many rivers, lakes, coasts, and streams are polluted. Public lands are plagued by invasive species. The Nation's natural legacy constantly faces new challenges with consequences yet to be fully understood.

In April 2010, President Obama launched the America's Great Outdoors initiative, resulting in the largest conservation-related public dialog in the Nation's history. In public listening sessions and visits across the Country, this Administration heard loud and clear that Americans care about this legacy and want to pass along a clean and healthy environment to the next generation. In February of 2011, the Department of the Interior and other Federal agencies submitted a report that summarized these listening sessions and identified ten major goals and 75 action items to advance this initiative.

RECOMMENDATIONS INCLUDED IN THE AMERICA'S GREAT OUTDOORS REPORT FEBRUARY 2011

- Provide Quality Jobs, Career Pathways, and Service Opportunities.
- Enhance Recreational Access and Opportunities.
- Raise Awareness of the Value and Benefits of America's Great Outdoors.
- Engage Young People in Conservation and the Great Outdoors.
- Strengthen the Land and Water Conservation Fund.
- Establish Great Urban Parks and Community Green Spaces.
- Conserve Rural Working Farms, Ranches, and Forests Through Partnerships and Incentives.
- Conserve and Restore National Parks, Wildlife Refuges, Forests, and Other Federal Lands and Waters.
- Protect and Renew Rivers and Other Waters.
- Make the Federal Government a More Effective Conservation Partner.

The America's Great Outdoors initiative encourages our citizens to get outdoors and rediscover adventures in our own backyard. From coasts and mountains to farmlands and forests, our Country is rich in cultural and natural treasures. We must continue to do all we can to make sure we have healthy and accessible lands and waters to enjoy for generations to come. Outdoor recreation and tourism related businesses have become powerful elements of rural and urban economic development.

*Gary Locke, Former Secretary of Commerce
June 13, 2011*

2013 BUDGET SUMMARY

The 2013 President's budget request maintains the Interior Department's commitment to its stewardship of America's Great Outdoors with a request of \$5.1 billion, a \$145.6 million total increase compared to the 2012 enacted level. Funding in support of this initiative is focused in three areas: land management operations including youth programs; programs funded through the Land and Water Conservation Fund, including Federal land acquisition and recreation and conservation grant programs in the Fish and Wildlife Service and National Park Service; and historic preservation as well as technical assistance

programs that promote conservation and improve recreational access, particularly in urban areas.

Land management operations will receive \$4.6 billion, an increase of \$26.2 million compared to 2012. This request provides \$1.1 billion to the Bureau of Land Management, \$1.2 billion to FWS, and \$2.3 billion to NPS for operations.

The budget includes a total of \$449.9 million for LWCF programs that conserve lands and support outdoor recreation within Interior and the Forest

AMERICA'S GREAT OUTDOORS (dollars in millions)			
	2012	2013	Change
LAND MANAGEMENT OPERATIONS			
Bureau of Land Management	1,072.2	1,064.1	-8.2
Fish and Wildlife Service	1,226.2	1,247.0	+20.9
National Park Service	2,236.6	2,250.1	+13.5
Subtotal, Land Management Operations	4,535.0	4,561.2	+26.2
LAND AND WATER CONSERVATION FUND PROGRAMS			
Federal Land Acquisition	146.6	212.0	+65.4
State Grants	44.9	60.0	+15.1
Cooperative Endangered Species Conservation Fund*	25.0	60.0	+35.0
Subtotal, LWCF Programs	216.5	332.0	+115.5
OTHER GRANT PROGRAMS			
Partnership Programs	100.6	104.5	+3.9
Historic Preservation and Battlefield Grants	57.3	57.3	0.0
Rivers, Trails, and Conservation Assistance	9.9	10.0	+0.1
Subtotal, Other Grant Programs	167.8	171.8	+4.0
TOTAL	4,919.3	5,065.0	+145.6
* In 2012, only \$25.0 was appropriated by Congress from the LWCF. The total appropriation for this program was \$47.7 million. The 2013 budget proposes to fund all of the CESC from the LWCF.			

Service. Of this amount, Interior Land and Water Conservation Fund programs will receive \$332.0 million, a total increase of \$115.5 million over the 2012 enacted level. This includes \$212.0 million for Federal land acquisition, \$60.0 million for FWS Cooperative Endangered Species Conservation Fund grants, and \$60.0 million for NPS State Assistance grants.

Other assistance programs such as FWS conservation grants, NPS historic preservation grants, and NPS Rivers, Trails and Conservation Assistance will receive \$171.8 million, an increase of \$4.0 million. Of this amount, \$104.5 million is for FWS conservation grants, \$57.3 million for NPS preservation grants, and \$10.0 million for Rivers, Trails, and Conservation Assistance.

CONNECTING AMERICANS TO THE GREAT OUTDOORS

National parks are amazing places where exercise is disguised as adventure, and we sneak in some learning too.

**Jon Jarvis, Director
National Park Service
August 11, 2010**

Approximately 20 percent of U.S. lands—more than 500 million acres—are managed and protected by Interior’s land management agencies. These Federal lands contain ecosystems as diverse as the coastal mountains of BLM’s King Range National Conservation Area in California, the unique and diverse tall grass prairies of FWS’ Flint Hills Legacy Conservation Area in Kansas, and the southern Appalachian ecosystems of the Great Smoky Mountains National Park in North Carolina and Tennessee; and an inspiring array of natural, cultural, and historic resources. The 60,000 mile federally managed National Trails System provides a cross-section of many of these diverse landscapes.

Public lands offer millions of visitors wide-ranging opportunities to make a personal connection to the outdoors. They may do this through the solitude of backcountry hiking; the exhilaration of climbing, skiing, snowboarding, or river rafting; the pride of learning about historic places, or the satisfaction of volunteer service. Public lands provide water resources, wildlife habitat, recreation, educational value, and other benefits to the American people.



The Nation’s mountains, prairies, coasts, deserts, lakes, and rivers also provide essential ecosystem services that benefit all Americans. Public lands contain important watersheds that supply drinking water to millions. Many of America’s most iconic wildlife species—bison, moose, and bald eagle, among them—greatly depend on public lands for survival.

The 2013 budget includes \$4.6 billion to fund the operations that conserve and maintain these public lands. The following sections highlight the operational budget for each land management bureau in 2013.

LAND MANAGEMENT OPERATIONS

Operation of the Interior’s land management infrastructure is 40.1 percent of the Department’s 2013 budget request. These programs support the day-to-day operations of the 397 national park units, 556 national wildlife refuges, and BLM’s 21 national conservation areas and similarly designated areas and 16 national monuments. Public lands provide access for recreation, opportunities to learn, and conservation of important natural places and native fish and wildlife. These areas are the face of America, welcoming 386 million visitors each year from all around the world, showcasing the treasures of the Nation’s history, and offering the opportunity to experience the Nation’s iconic places and symbols first hand. There are an additional 90 million visits to Reclamation sites. In 2010, American and international travelers to these lands contributed nearly \$47.9 billion in economic activity and 388,000 jobs. In total, hunting, fishing, and outdoor recreation contribute an estimated \$730 billion to the U.S. economy each year. More than 12 million Americans hunt,

PUBLIC LANDS: SERVICE TO OUR VETERANS

We must honor the remarkable service and sacrifices of our military families by doing all we can to provide them the support and quality of life they deserve. ...Under President Obama's leadership and on behalf of a grateful Nation, I look forward to working across the Federal family to expand opportunities for military families and to honor their commitment to our Country.

*Ken Salazar, Secretary of the Interior
January 24, 2011*

Support of military families is an important aspect of the America's Great Outdoors initiative, which calls for connecting all Americans with the outdoors and with America's history and culture. For American veterans returning from service to their Country, the public lands managed by Interior can provide not only a wide variety of recreational activities, but also an opportunity to enhance physical and emotional well-being while connecting with the values they fought to protect. Interior is working with the Department of Defense and others to provide expanded opportunities for active duty and veteran members of the armed services as well their families to use public lands and recreational facilities for recovery, with a particular emphasis on supporting wounded warriors in their efforts to regain psychological health, reintegration with family, and rehabilitation.

Support of young veterans and children also is a major part of Interior's youth programs. These programs aim to reconnect America's youth with nature, encourage physical exercise, and provide educational, recreational, and employment opportunities for youth in conservation. Interior is one of the largest Federal employers of youth ages 15-25 in conservation and is partnering with the Defense Department to identify employment opportunities for children in military families.

Interior also offers diverse employment opportunities for veterans as they transition to the civilian world. These men and women possess special leadership skills that will greatly benefit the Department across all its bureaus and programs. Through partnerships with entities such as the Defense's Operation Warfighter program and the Feds Hire Vets initiative, Interior is committed to providing veterans the opportunity to start their next careers on the very public lands they are committed to preserving.

The following examples highlight a few of the specific ways that Interior provides recreational and employment opportunities to veterans.

- The BLM Glennallen, Alaska Field Office partnered with Project Healing Waters, Fly Fishing, to host a fishing trip to the Delta Wild and Scenic River. Project Healing Waters is a national nonprofit organization that organizes fly fishing outings to help physically and emotionally rehabilitate wounded soldiers, veterans, and their families. The project teaches injured vets and soldiers and their families the healing powers of flyfishing and being on the water in the great outdoors.
- Each FWS region disseminates information on job opportunities and education programs directly to military service members, using a tracking system of over 300 military transition centers and installations world-wide.
- The NPS' Florissant Fossil Beds National Monument participates in the Operation Warfighter program as part of the park's "Post to Parks" outreach strategy to engage and connect with military personnel and their families in the nearby Colorado Springs area. As part of this program, a veteran with 20 years of Army contracting and construction experience assisted the park as it built its first permanent visitor center.

more than 30 million Americans fish and three out of four Americans engage in some kind of healthy outdoor activity. One in twenty U.S. jobs are in the recreation economy.

Included within the \$4.6 billion 2013 request for land management operations is \$2.5 billion for visitor related activities in the national park system, national wildlife refuge system, and BLM's national monuments and national conservation areas, a \$20.9 million increase relative to 2012. These funds enable the Department to continue to offer public access to priority areas and engaging interpretation programs. Interior lands sponsor an expansive number of volunteers that return annually to provide services to the public. The BLM, FWS, and NPS benefit from nearly 306,000 volunteers who provide nearly 9.7 million hours of service, valued at \$195 million per year.

Operational funding not only enables the visitor experience but enables the Department to carry out its public stewardship mission in these special places. These vast public lands hold some of the most significant evidence of human prehistory in America, as well as important artifacts and items of colonial and American history. Interior's management of a variety of culturally and historically significant sites, from long abandoned archaeological sites to iconic civil rights landmarks, gives the Nation important insights into the development of the American character. Hands on interpretive programs across the Country bring America's history to life for a whole new generation. Preserving, interpreting, and maintaining these sites is an important responsibility owed to future generations. Additionally, discovering, studying, and understanding the evidence of past human influences on the land can give Interior land managers and the public critically important information as plans are made on how to use public lands today and in the future.

Interior's parks, refuges, and other public lands contain many of the Nation's most trea-



sured landscapes, from the majestic mountain ranges of Alaska to the vast sawgrass prairies of the Everglades. To safeguard these treasures, the land management bureaus, along with the U.S. Geological Survey, combine the best available science with innovative education and stewardship programs to manage for the conservation of these resources and the species that inhabit public lands.

ENJOYING THE GREAT OUTDOORS

Bureau	Visits to Interior's Public Lands
BLM.....	57,775,000
FWS	47,419,995
NPS.....	281,303,769
TOTAL	386,498,764

In 2013, the budget features program increases in the application of science on the public lands. This includes an increase of \$2.0 million for BLM to conduct new research into population growth suppression methods to control wild horse reproduction. The FWS will use \$6.0 million for Endangered Species Act consultations related to pesticides, inventory and monitoring on refuge lands, and the control of invasive species. Of this total, \$1.0 million will be used to answer scientific questions about the effects of pesticides on imperiled species to inform the review of Environmental Protection Agency water quality related proposals and to identify water quality levels and safe pesticide use practices. Another \$3.0 million will be used to further the national refuge Inventory and Monitoring initiative launched by the FWS in 2010 to increase its collective ability to inventory and monitor wildlife and habitats to inform conservation actions; and \$2.0 million will support the development of a comprehensive early detection and surveillance program for Asian carp through scientific studies to advance control and prevention in the Great Lakes and Upper Mississippi River Basin, which can be exported to other high-risk ecosystems and habitats such as the California Bay-Delta, and Columbia River Basin.

Bureau of Land Management – The 2013 BLM budget request for land management operations is \$1.1 billion, a decrease of \$8.2 million from the 2012 enacted level.

The request for Management of Lands and Resources of \$952.0 million includes \$6.3 million



in programmatic increases that benefit cultural resources, recreation management programs, and the National Landscape Conservation System units, which are recognized to have outstanding cultural, ecological, and scientific value. These investments will enhance and improve recreational access and opportunities, raise awareness of the value and benefits of America's Great Outdoors, and conserve and restore valuable cultural resources.

A \$1.1 million program increase in Cultural Resources Management will allow BLM to conduct inventories and surveys to determine the presence of archaeological, paleontological, and historical resources, conduct stabilization and protection projects, and expand interpretation and information sharing. In part, this will be used to address a number of museum collection inventories and assessments, a need identified by the Office of Inspector General in 2008.

As part of a \$2.2 million programmatic increase proposed in Recreational Resources Management, BLM will use \$1.1 million to continue to develop and implement travel management plans to enhance authorized access for off-highway vehicle use on public lands, while protecting important natural and cultural resources from unauthorized use. The BLM will direct the other \$1.1 million to implement management plans for national scenic and historic trails and national wild and scenic rivers to strengthen the protection of these special places. This will include inventorying, monitoring, protecting and enhancing the remarkable values on the wild and scenic rivers. The BLM will perform similar work on national trails, and also conduct annual maintenance and interpretative activities. Annually, there are nearly 58 million visits to BLM lands. All told, the estimated impact of recreation on BLM lands is \$7.4 billion, supporting an estimated

60,000 jobs each year. Visitors participate in recreational activities such as wildlife watching, hiking, camping, whitewater rafting, and OHV racing.

The request includes a \$3.0 million program increase in the National Monuments and National Conservation Areas program that will enable BLM to strengthen management of the 37 separate units of the National Landscape Conservation System. The increased funds will allow BLM to increase the protection of archeological and natural sites with enhanced law enforcement; increase assessments, inventories, monitoring, and science and research projects to enhance the understanding of these units; and expand interpretative programs and products to respond to a growing number of visitors.

Fish and Wildlife Service—The 2013 budget request for the Resource Management account is \$1.2 billion, an increase of \$20.9 million above the 2012 level. The budget request continues to advance key goals of the America's Great Outdoors initiative. The national wildlife refuge system has unique authorities and flexible programs that deliver landscape level conservation while at the same time providing outdoor recreation, hunting, and fishing opportunities and protecting wildlife populations. Annually, more than 47.4 million visitors come to refuges to hunt, fish, observe, and photograph wildlife and participate in environmental education and interpretive programs, generating almost \$4.0 billion in economic activity and creating more than 32,000 private sector jobs nationwide. Millions of acres of refuge lands are owned outright and managed wholly by FWS to protect habitat for fish and wildlife. Additionally, the refuge system uses easements and partnership programs to protect important habitat features on private working lands.



The 2013 budget requests a program increase of \$10.2 million for the refuge system. Of the requested funding increase, \$3.0 million will expand necessary inventory and monitoring on refuges to establish baselines and determine the status and trends of fish, wildlife, and plants. Refuge habitats are impacted by land use changes off refuges, the spread of invasive species, and changing weather patterns and climate. To date, inventories have been conducted on more than 30 refuges and the inventory and monitoring data management system has been used to mine and catalogue the wealth of scientific information that already exists on refuges and in FWS regional offices. Currently, over 100 field stations have been catalogued, which will allow the refuge system to identify what inventories are being conducted across regions and landscapes and to identify data gaps.



The Inventory and Monitoring initiative provides funding and staff support to produce products directly relevant to refuge management needs now, as well as long-term strategies for managing complicated systems in a rapidly changing landscape. These include funding 43 hydrogeomorphic analyses, 38 water resource inventory assessments, 69 sea-level rise models for coastal refuges, integrated invasive species maps, and investments in upgrades to the National Wetland Inventory. There are currently 13 refuges with established phenological monitoring partnerships, and 69 have conducted sea level rise modeling. These activities will allow refuge managers to establish biological baselines as the basis to conduct vulnerability assessments and protect and restore natural landscapes with native vegetation and provide increased connectivity for use by at-risk species. Also included for the refuge system is a program increase of \$3.6 million for Challenge Cost Share projects to implement habitat restoration projects with local partners and volunteer groups. These funds will be used by refuges to conduct

ASIAN CARP PREVENTION AND CONTROL

The migration of Asian carp through the upper Mississippi River Basin is one of the most acute threats facing the Great Lakes and their \$7 billion fishery industry. Asian carp also pose a significant threat to other highly valued aquatic ecosystems including the California Bay-Delta and Columbia River Basin. The 2013 budget builds on Asian carp prevention and control efforts funded in the 2012 U.S. Geological Survey and Fish and Wildlife Service budgets.

In 2011, USGS began conducting research as part of the Asian Carp Regional Coordinating Committee, which is the Federal response to the threat of Asian carp becoming established in the Great Lakes. Predicting tributaries that might provide suitable habitat for Asian carp spawning is a critical step toward focusing monitoring and control efforts. On the basis of models developed using hydrological data and the results of egg and larval fish development experiments, USGS scientists predicted that six of eight tributaries to Lake Erie could support spawning of bighead and silver carp. A program increase of \$3.0 million in the USGS 2013 budget will augment current support for providing scientific information and methodologies to better prevent, detect, and control Asian carp. The proposed increase will enable research to accelerate beyond the “proof of concept” stage and focus on transferring technology to managers for field use.

The 2013 FWS budget includes a program increase of \$900,000 for traditional gear sampling as part of a comprehensive surveillance and monitoring program for Asian carp species in the Great Lakes. An additional program increase of \$2.0 million in 2013 will support the development of a comprehensive early detection and surveillance program for Asian carp through the establishment of eDNA labs at FWS’ Regional Fish Technology Centers. This sampling will be conducted in high-risk ecosystems and habitats such as the California Bay-Delta, Mississippi River Basin, and Columbia River Basin.

projects, which are small in cost, but have a big impact including improving habitat for wildlife use and removing barriers to species recovery.

The 2013 budget includes \$5.4 million for a cross program Cooperative Recovery initiative to implement endangered species recovery actions on national wildlife refuges and in surrounding ecosystems. With nearly 300 listed species located in or around units of the national wildlife refuge system, the ecosystems surrounding refuges provide important habitat for listed species, and can provide essential connectivity for species conservation. Funding will support a cross programmatic partnership approach to complete planning, restoration, and management actions addressing current threats to endangered species on and around wildlife refuges. The NWRs will partner with Fisheries, Endangered Species, Partners for Fish and Wildlife, and Migratory Birds to work under the Strategic Habitat Conservation framework, and in consultation with Landscape Conservation Cooperatives to consider proposals for endangered species recovery projects on refuges and surrounding ecosystems.

National Park Service –

The 2013 budget request for park operations is \$2.3 billion, an increase of \$13.5 million above the 2012 level. This includes increases of \$26.0 million for fixed costs and \$12.2 million in program increases. These increases are offset with \$24.8 million in strategic program reductions to park operations and servicewide programs. The NPS manages 397 park units, conserving and interpreting resources as unique and diverse as the mountains, temperate rainforests, and beaches of Olympic National Park; the solemn yet grand vistas of Gettysburg National Military Park; and the Statue of Liberty, a universal symbol of freedom and democracy. The NPS shared the stories and breathtaking beauty of

these sites with more than 281 million visitors last year. These visitors, in turn, create an economic impact of \$30.4 billion, and support an estimated 247,000 jobs.

The NPS will continue to engage visitors in the great outdoors and protect and interpret cultural and natural resources. The budget includes an increase of \$610,000 for the Challenge Cost Share program, for a total program of \$1.0 million. The CCS program, a partnership component of America's Great Outdoors, provides matching funds to cooperate with partners on projects that preserve and improve NPS natural, cultural, and recreational resources. The 2013 budget includes program increases to enhance critical resource stewardship activities, including an additional \$5.0 million for Climate Change Adaptive Management tools,

for a total funding of \$8.0 million, to support climate-related monitoring systems and the development of appropriate land, water, and wildlife adaptation strategies. The NPS monitors the most vulnerable parks in high elevations, high latitudes, arid lands, and coastal areas for climate effects, such as melting permafrost in Alaska and salt marsh salinity along the South



Atlantic coast. The NPS takes action to mitigate the effects of climate change on park resources based on feedback obtained by this monitoring. The 2013 proposal includes a program increase of \$250,000 for NPS to expand integrated ocean and coastal stewardship activities by working with its partners at 74 park units adjacent to an ocean or the Great Lakes ecosystem, consistent with the Administration's *Final Recommendations of the Interagency Ocean Policy Task Force* report. The NPS will continue restoration activities in key water-based ecosystems, such as the Everglades.

YOUTH IN AMERICA'S GREAT OUTDOORS

DEPARTMENT OF INTERIOR ACCOMPLISHMENTS

Interior bureaus engaged youth by:

Providing Quality Jobs, Career Pathways and Service Opportunities

Interior increased opportunities for jobs, training, and service in the great outdoors to put young Americans back to work now with benefits that will last long into the future. Interior:

- Employed over 21,000 youth across the country in full and part-time jobs and internships and across a range of duties from building trails to inventorying species.
- Partnered with HistoriCorps to provide job training and heritage education for youth, veterans, and unemployed Americans in projects that preserve America's historic and cultural treasures.
- Launched the YouthGO.gov portal in January 2011, a tool of the Departments of the Interior and Agriculture to provide information on education programs, outdoor activities, and job opportunities.
- Continued partnerships with Volunteers in Service to America to employ youth in watershed assistance programs to restore lands that were degraded from historic mining.

Enhancing Recreational Access and Opportunities

Interior's increased recreational access to America's lands and waters presents enjoyable opportunities to connect with family and friends and enhances health and wellness. Interior:

- Encouraged Americans to explore America's natural beauty, rich history, and culture by hosting free entrance days in BLM, FWS, and NPS to commemorate events and holidays.
- Supported free nation-wide recreational events, including National Kids to Parks Day, National Get Outdoors Day, and National Trails Day for more than 100,000 kids and their families.

Raising Awareness of the Value and Benefits of America's Great Outdoors

Interior promoted early experiences in nature and at historic places inspiring a lasting connection and commitment to service in the outdoors. Interior:

- Developed new formal education programs modeled after the Forest Service's "Forest for Every Classroom" such as "A Trail to Every Classroom" and "A Park for Every Classroom," to engage teachers and students in place based service and learning opportunities.
- Worked with partners to host more than 100 Let's Move Outside! inspired events on public lands and waters.

Engaging Young People in Conservation and the Great Outdoors

Interior enlisted America's young people, the Nation's future stewards, to learn about their heritage, and help create outdoor spaces that are safe, clean, affordable, and accessible. Interior:

- Hosted over 100 National Get Outdoors Day and National Trail Day events and hosted 19 Let's Move Outside! "Catch a Special Thrill" events.
- Hosted more than 2,000 National Public Lands Day events that engaged 180,000 people in conservation service projects on public lands and waters. Emphasized the link between healthy lands and healthy people through Let's Move Outside! tools and other education programs.

The Let's Move Outside! program in our national parks provides a wonderful way for parents to help their children gain a passion for outdoor recreation while teaching them about our Nation's beautiful lands, our rich cultural heritage, and our storied past.

*Ken Salazar, Secretary of the Interior
June 17, 2010*

LAND AND WATER CONSERVATION FUND

There can be nothing in the world more beautiful than the Yosemite, the groves of the giant sequoias and redwoods, the Canyon of the Colorado, the Canyon of the Yellowstone, the Three Tetons; and our people should see to it that they are preserved for their children and their children's children forever, with their majestic beauty all unmarred.

President Theodore Roosevelt
1905



Conserving large landscapes requires collaboration among all stakeholders, including private landowners, conservation and recreation groups, and local, State, tribal, and Federal governments. America's Great Outdoors calls for broad collaboration around locally driven priorities and more efficient and coordinated ways of investing in, restoring, and managing the Country's natural and cultural resources.

Created in 1964, the LWCF helps preserve, develop, and assure access to outdoor recreation resources; provide clean water; preserve wildlife habitat; enhance scenic vistas; protect archeological and historical sites; and maintain the pristine nature of wilderness by providing funds for Federal land acquisition and grants. Every year revenues received from offshore oil and gas production, the sale of surplus Federal real estate, and taxes on motorboat fuel are deposited into the Fund. A total of \$33.5 billion has been collected into the Fund since its inception, of which \$15.8 billion has been used to

acquire lands and provide grants to States. The rest of the collections remain in balances in the Fund, subject to congressional appropriation.

Federal Land Acquisition – In 2013 the Federal land acquisition request through the LWCF includes \$212.0 million for Interior, plus an additional \$57.9 million for the Forest Service for a total request of \$269.9 million. Of this amount, \$161.3 million is for mission specific core land acquisition priority projects and program management across both agencies. In 2013, the Administration proposes targeting the remaining \$108.6 million for a Forest Service-Interior collaborative land acquisition program to support strategic interagency landscape-scale conservation projects that also meet agency specific acquisition needs. Interior requests \$83.6 million for its three bureaus and the Forest Service requests the remaining \$25.0 million.

President Obama has made it clear that conservation is a priority for this Administration. We will continue to invest in land and water projects that have the backing of communities who depend on the job-creating power of the outdoor economy.

Ken Salazar, Secretary of the Interior
October 12, 2011

As part of the landscape program, Interior bureaus collaborated extensively with the Forest Service and with government and local community partners to plan projects to achieve the highest priority shared conservation goals most effectively. A Technical Advisory Committee, made up of BLM, FWS, NPS, and Forest Service, identified a number of ecosystems throughout the Nation where high priority shared conservation goals can be achieved. The Committee ranked the projects according to criteria that included:

- **Process** – Ensure proposals are community-driven, collaborative and cost-effective.
- **Outcome** – Ensure proposals contribute to informed, science based, important local landscape-scale outcomes, so Federal resources are strategically achieving land management objectives.
- **Urgency** – Ensure funding decisions acknowledge where funds must be spent sooner rather than later to achieve out-

comes or prevent harm, versus areas where outcomes could be achieved even if funding were postponed.

- Contribution to national and regional priorities – Ensure outcome goals contribute to regional and national priorities.

Then the National Selection Committee, made up of Bureau Directors or Deputy Directors, considered these scores as well as their own knowledge about Department and bureau activities and priorities to develop a recommendation for the Secretaries. With the Secretaries input, a final list of collaborative proposals to include in the funding request was developed. Through the rigorous merit based evaluation process, multiple ecosystems were evaluated and prioritized, leading to the selection of the Northern Rockies and the Florida-Georgia Longleaf landscapes, as well as an initial investment in the Greater Yellowstone landscape.

Investing now in these ecologically important and threatened landscapes will ensure they remain resilient in the face of development pressures and global change. Smart investment in strategic conservation on a landscape-scale focuses on select areas for acquisition by multiple Federal agencies in concert with State and local efforts. These coordinated efforts will protect large areas to maximize ecosystem values, support at-risk species, and prevent further ecosystem decline or collapse, thereby precluding the need for restoration. The proposed Federal investments in these landscapes will leverage significant private commitments to land and water conservation in the Crown of the Continent and Longleaf Pine ecosystems.

In the Northern Rockies landscape, BLM, FWS, NPS, and the Forest Service aim to build resiliency in ecological systems and communities, so that, even as climate conditions change, this collaborative area will continue to support a full range of native biodiversity. Building ecological resiliency includes maintaining intact, interconnected landscapes and restoring fragmented or degraded habitats. The agencies have engaged in long standing collaborations with non-government organization partners, local community groups such as the Blackfoot Challenge and Rocky Mountain Front Landowner Advisory Group, and State and county government officials to tailor a Federal conservation strategy and acquisition program that achieves a synergy between private rights, open space, traditional land uses, and conservation. This shared vision, developed over

years of collaboration, includes maintaining working ranches and forests by acquiring conservation easements as well as acquiring lands in fee that will provide public access and enjoyment.



The planned acquisitions will contribute to species conservation for an array of threatened, endangered, and sensitive species. The Northern Rockies landscape falls within the greater Crown of the Continent ecosystem and serves as the southern “bookend” for the Yellowstone to Yukon Conservation initiative. It is home to a number of large game species, including antelope, elk, deer, and moose which range throughout the acquisition area, which includes hunting and other historic uses. The acquisitions will achieve conservation goals for multiple species and implement important components of State wildlife action plans as well as other conservation plans including Partners in Flight, endangered species recovery plans, forest management plans, and agency general management and Interior and Agriculture departmental level strategic plans.

Tracts identified in the Florida-Georgia Longleaf initiative landscape are crucial to the ecological well-being and recovery of the diminishing longleaf pine ecosystem in the South. Longleaf pines, which once covered up to 98 million acres of the Southeast have been reduced to three million acres, much of it in poor condition. Collaborative regional efforts to address this decline have been underway for over 15 years, with strong public-private partnerships like the Longleaf Alliance bringing together private landowners, forest industries, State and Federal agencies, and conservation groups and researchers to work on collaborative solutions. Federal agencies drew from Florida wildlife habitat gap analyses, recovery plans, other Florida and Federal natural resource assessments and initiatives, and local government and general public input to develop a plan for land acquisition that targets the most critical conserva-



tion needs. Based on this plan, State and local governments and conservation non-profit groups such as The Nature Conservancy worked closely with Federal agencies to secure these tracts to allow sufficient time for the United States to acquire them. The Forest Service is also leveraging Forest Legacy grant funding to protect this ecosystem.

Many threatened and endangered species are reliant on the qualities that can only be found in the longleaf pine ecosystem. The endangered red-cockaded woodpecker is the keystone species for this ecosystem. The BLM, FWS, FS, and the State of Florida have collaborated over the last 20 years to dramatically grow the woodpecker populations and promote the recovery of the longleaf pine ecosystem through the Red-cockaded Woodpecker Southern Range Translocation Cooperative. The acquisitions will protect and expand critical wildlife areas and the Florida National Scenic Trail corridor.



The Greater Yellowstone Coordinating Committee was formed in 1964 to provide a coordinated effort to protect the ecological integrity and outstanding natural resources of the Greater Yellowstone landscape. This long standing organization of stakeholders is collaborating with Federal agencies, non-governmental organization partners, local community groups such as the Jackson Hole Conservation Alliance and Greater Yellowstone Coalition, and State and county government officials to design a Federal acquisition program that will complement existing landownership, honor traditional land uses, and conserve this unique landscape for future generations.

The collective vision crafted by these organizations includes acquisition of land and conservation easements that will contribute to species conservation and will secure habitat connectivity for large game species including elk, deer, and moose. The network of protected lands in this ecosystem supports a robust local tourism economy, which draws millions of tourists annually for outdoor recreation, hunting, and angling. Development of unprotected lands in this area is an urgent threat to the landscape's ecological integrity and to the rural character of the landscape, which underpins the area's tourism economy.

Core Land Acquisition Projects – While the collaborative land acquisition program supports strategic interagency landscape-scale conservation projects, the 2013 request for Federal land acquisition also includes \$58.2 million for core land acquisition projects in BLM, FWS, and NPS. The core land acquisition projects facilitate management of bureau specific mission priorities. The three Interior land management bureaus use prioritization systems that consider multiple factors when determining which lands to acquire. These criteria include the mission value of planned acquisitions, feasibility of acquiring and operating lands, the availability of willing sellers, the potential of imminent development of property, and the participation of partners.

The BLM, FWS, and NPS acquire important properties available for sale by willing sellers through fee title and easement. Lands are normally acquired at fair market value or through partial or total full donations of property. Landowners can also sell or donate easements on their property while keeping the land in private ownership. Most lands acquired are additions to park units, national wildlife refuges, national monuments, and national conservation areas. Acquisition also results in additions to other

areas including national wild and scenic rivers, national historic trails, and wilderness areas. Lands are acquired to protect important natural and cultural resources, to consolidate land within the boundaries of existing units, to provide public access to Federal management units, and to improve recreational use.

The access of hunters and anglers to the public lands is often frustrated by complicated “checkerboard” land ownership patterns. The request includes \$2.5 million to purchase hunting and fishing access easements to alleviate some of these challenges and provide better access to valuable public recreation opportunities.

In 2013, NPS proposes \$5.0 million to acquire threatened or vulnerable land within the national park system to protect significant Civil War battlefield sites, and as part of the NPS effort to commemorate the sesquicentennial of the war. In addition, the budget also includes \$9.0 million for American Battlefield Protection program land acquisition grants. These matching grants provide much needed resources to States and local governments to preserve and protect threatened Civil War battlefield sites outside the national park system. Private non-profit entities may also apply in partnership with a State or local agency. These grants support the fee simple acquisition of land, or the acquisition of permanent, protective interests in land, at Civil War battlefields listed in the Civil War Sites Advisory Commission’s 1993 *Report on the Nation’s Civil War Battlefields*.



LWCF Grant Programs – Federal land acquisition through the LWCF is complimented by matching grants that fund State and local activities. Three grant programs are supported through the Fund: NPS State Assistance grants; FWS Cooperative En-

dangered Species Conservation Fund grants; and FS Forest Legacy grants. Since the enactment of the Land and Water Conservation Act in 1964, the Fund has provided \$15.8 billion to acquire new Federal lands and for grants to States.

State Assistance Grants – Administered by the NPS, this program provides matching grants to States, and through States to local governments, for the acquisition and development of public outdoor recreation areas and facilities. The program helps States and local communities create and maintain high quality recreation areas and facilities and stimulates investments in the protection and maintenance of recreation resources across the United States. In 2010, the Federal investment of \$37.3 million resulted in an economic impact of \$102.0 million and supported 724 jobs.

Most of the grants awarded to States have gone to locally sponsored projects to provide close-to-home recreation opportunities that are readily accessible to Americans across all walks of life and physical abilities. In addition to the thousands of smaller recreation areas, grants have helped to acquire and develop new parks of State-wide or national significance such as the Allagash Wilderness Waterway in Maine, Liberty State Park in New Jersey, the Willamette River Greenway in Oregon, and the Platte River Park in Colorado. In 2010 alone, LWCF stewardship protection was expanded by a total of 34,367 acres and 133 park sites. Additionally, 214 local park and recreation areas were enhanced with grants to develop new or rehabilitate existing outdoor recreation and support facilities.

In 2013, the budget proposes \$60.0 million, a programmatic increase of \$14.9 million over the 2012 enacted level. Included within this request, is \$36.5 million that would be allocated to States through a formula. An additional \$20.0 million would be allocated to States based on a competitive process targeting priority projects that support the America’s Great Outdoors initiative. This component will promote projects that support both outdoor recreation and conservation in urban areas where access to open space is limited; protect, restore, and connect natural landscapes; and provide access to rivers and waterways.

Cooperative Endangered Species Conservation Fund Grants – Because more than half of all species currently listed as endangered or threatened spend at least part of their life on privately owned lands, the Department recognizes that success in conserving

species will ultimately depend on working cooperatively with landowners, communities, and Tribes to foster voluntary stewardship efforts. States play a key role in catalyzing these efforts.

The CESCO, authorized by the Endangered Species Act and funded through the LWCF, provides grants to States and Territories to participate in a wide array of voluntary conservation projects for candidate, proposed, and listed species on non-Federal lands. For example, a grant awarded in 2011 will be used to acquire a permanent conservation easement on over 3,550 acres outside of the towns of Makawao and Haiku on the Island of Maui. The property is at the center of the 100,000 acre East Maui Watershed Partnership managed by six major landowners. The property provides habitat for 13 rare or endangered birds, including the akohekohe or crested honeycreeper and the Maui parrotbill, which are among the rarest birds in the Nation. It is also critical habitat for *Geranium multiflorum* and eight other federally listed plants, as well as a number of other rare plants and animals.



The 2013 budget includes \$60.0 million for CESCO grants. These funds would be leveraged with State funds for the development of habitat conservation plans, acquisition of lands in support of habitat conservation plans and to facilitate species recovery, as well as grants for States to improve the status of species through public education and outreach, habitat restoration, species status surveys, and captive propagation.

PARTNERSHIP PROGRAMS

The America's Great Outdoors initiative is rooted in strong partnerships with States, local communities, and other stakeholders to establish a conservation and recreation ethic for the 21st century."

Ken Salazar, Secretary of the Interior
October 20, 2011

Partnerships are a key component of Interior's delivery of programs. Partnerships underpin nearly every program and provide a critically important connection to local communities, interested constituencies, and diverse populations. They are key to the success of the America's Great Outdoors initiative. In communities across the Nation, Interior works with State, local, and tribal governments; local communities; non-governmental organizations; and citizens to realize the wide-ranging benefits of a revitalized connection to the outdoors. Recognizing that no single entity – Federal, State, tribal, local, or private – is able to provide the resources necessary to achieve the Nation's conservation goals, the Department, through the FWS and NPS, administers technical assistance programs and a number of grant programs that are leveraged with partners.

Conservation Grants – Interior's 2013 budget includes \$104.5 million, an increase of \$3.9 million above the 2012 enacted level for FWS conservation grant programs. These grants are in addition to \$60.0 million requested for the Cooperative Endangered Species Conservation Fund through the LWCF, described above.

North American Wetlands Conservation Act Grants – The NAWCA grant program provides grants



LANDSCAPE CONSERVATION PARTNERSHIPS

Just as we have done in Kansas, Montana and the Dakotas, our locally driven, cooperative approach to conserving the Everglades Headwaters will help grow a robust outdoor recreation economy for central Florida, while preserving ranchers' rights to live off the land.

*Ken Salazar, Secretary of the Interior
January 18, 2012*

On January 18, 2012, the Secretary accepted the first donation of land in south-central Florida to officially establish the Everglades Headwaters National Wildlife Refuge and Conservation Area, conserving one of the last great grassland and savanna landscapes of eastern North America. Still largely rural, this greater Everglades area is a mosaic of seasonally wet grasslands, longleaf pine savannas, and cattle ranches that sustains one of the most important assemblages of imperiled vertebrate wildlife in the southeast United States and a large portion of the unprotected natural habitat remaining in peninsular Florida.



The new refuge and conservation area – the 556th unit of the national wildlife refuge system – was established with the support of local ranchers, farmers, and landowners who are working cooperatively with FWS and the Department to conserve the wildlife values on their lands while retaining their right to raise livestock or crops, an approach championed by this Administration.

The FWS is working closely with the Florida Fish and Wildlife Conservation Commission and other State agencies, conservation organizations, users groups, and Tribes. The extraordinary vision of these partners will help protect significant wildlife species while supporting a way of life that is vital to local residents. This effort will restore wetlands in the headwaters area, as well as increase opportunities to hunt, fish, hike, bird watch, and learn about the importance of this landscape. In 2013, the budget requests \$3.0 million for FWS land acquisition continue to build the refuge.

If fully realized, the refuge and conservation area will span 150,000 acres north of Lake Okeechobee. Two-thirds of the acreage, or 100,000 acres, will be protected through conservation easements purchased from willing sellers. With easements, private landowners retain ownership of their land, as well as the ability to continue farming or ranching the land. The easements would protect the land from future subdivision or development. The Everglades, which receives water from the Kissimmee River Valley, will benefit from the conservation and restoration of its headwaters through enhanced water quality, quantity, and storage.

The establishment of the new refuge and conservation area is one of a series of conservation projects under this Administration to work locally with landowners, conservation stakeholders, and State, tribal, and local governments to conserve vital habitat on working landscapes. These include:

- The million-acre Flint Hills Legacy Conservation Area in Kansas, which will help maintain the integrity of tallgrass prairie wildlife habitat, stream water quality, and the agricultural heritage of the Flint Hills.
- The Dakota Grassland Conservation Area, which was approved in September 2011, will conserve prairie landscapes, wildlife resources, and working lands in the prairie pothole region, an area that supports more than half of the Nation's migratory waterfowl.
- The successful community based conservation initiatives taking place in the Crown of the Continent, a vast and intact landscape that includes portions of northwestern Montana as well as British Columbia and Alberta.

throughout the United States, as well as in Canada and Mexico, for the conservation of waterfowl and other wetland-associated migratory birds. For the past twenty years, NAWCA funds have been invested in the continent's most vital wetland ecosystems, which are key for sustaining species and are important to hunters and anglers. Projects are funded based on the significance of the wetland ecosystems and wildlife habitat to be conserved, migratory bird species benefitted, partner diversity and non-Federal contributions leveraged, as well as the long-term value of the conservation work proposed. The FWS budget includes \$39.4 million for these grants in 2013. This request, along with non-Federal partner matches, will enable the NAWCA program to select and fund wetland protection, restoration, and enhancement projects that will ultimately conserve approximately 961,426 acres of wetland and wetland associated habitats, including the estimated 85,840 acres attributed to the proposed budget increase of \$3.9 million.



State and Tribal Wildlife Grants – This grant program assists States, the District of Columbia, Commonwealths, Territories, and Tribes, in protecting fish and wildlife populations along with their habitat, including nongame species. All funded activities must link with species, actions, or strategies included in each State's Wildlife Action Plan. These plans collectively form a nationwide strategy to prevent wildlife from becoming endangered, and are unique from many prior conservation plans because of broad participation and an open planning process. By working with stakeholders and other members of the community, State fish and wildlife agencies translate pressing conservation needs into practical actions and on-the-ground results. Through this program, FWS has been able to assist States to improve efforts to conserve native flora and fauna and encourage multi-State projects, like projects

funded in 2011 that enhanced native prairies, wetlands, and woodlands on public and private lands across the boundaries of Idaho, Montana, Nebraska, Washington, and Wyoming. These projects benefit various species of greatest conservation need such as the Bell's vireo, greater prairie chicken, sage grouse, swift fox, and the northern red belly dace.

The budget includes \$61.3 million for grants to help conserve and recover imperiled fish and wildlife. To target a sizable share of the funds toward national conservation objectives, the 2013 request includes \$44.1 million to be awarded based on a statutory formula, \$13.0 million to be awarded competitively to States, and \$4.3 million to be awarded competitively to Tribes. The work conducted with competitive grant funding focuses on projects with the most significant conservation benefits such as:

- State fish and wildlife agencies' ability to work collaboratively with the LCC.
- Baseline surveys on species, such as sea turtles, and assessments impacted by climate change and other environmental stressors across State boundaries.
- State responsiveness to emerging species population declines such as white-nose syndrome in cave-dwelling bats caused by emerging threats.
- Protection of species' habitat across boundaries or Species of Greatest Conservation Need habitat areas, thereby increasing the ability for multiple States to mutually protect habitats through cooperative projects between State fish and wildlife agencies that support viable populations at the broader ecological scale.
- Increased national capability and strategic decisionmaking that gathers State fish and wildlife agencies' survey and project data, technical expertise, and best management practices into a cohesive approach to address common resource management issues.

Neotropical Migratory Bird Conservation – These grants support projects, which benefit neotropical migratory birds that breed in the U.S. and Canada and winter in Latin America. The more than 340 species of neotropical migratory birds include plovers, terns, hawks, cranes, warblers, and sparrows. The populations of many of these birds are in decline, and some are currently protected as threatened or

endangered under the Endangered Species Act. The 2013 FWS request includes \$3.8 million for Neotropical Migratory Bird Conservation grants. This level of funding will support approximately 30 projects with benefits to multiple States.



Rivers and Trails—The NPS budget request includes \$10.0 million for the NPS Rivers, Trails, and Conservation Assistance program to help communities increase and improve recreational opportunities. This is consistent with the 2012 funding. Working in communities across the Nation, this program provides expertise and experience to help citizens and community groups achieve on-the-ground conservation successes and urban renewal through their projects. From urban promenades to trails along abandoned railroad rights-of-way to wildlife corridors, the rivers and trails program promotes the creation and restoration of diverse greenways, as well as river conservation activities spanning downtown riverfronts to regional water trails to stream restoration. This program will also play a key role in the Administration’s Urban Waters Federal Partnership to revitalize seven key urban waters and the communities that surround them. As part of this partnership, the RTCA is working with the Harlem River Working Group, as well as New York City and State agencies, to develop a waterfront greenway along the Bronx side of the Harlem River. These efforts will provide much needed open space and recreational opportunities along the Harlem River.

Historic Preservation and Battlefield Protection Grants – America’s great outdoors are endowed

with a vast collection of natural and cultural features that reflect both community and national character. As economic pressures, development, and other factors threaten the sustainability of heritage resources, locally led partnership initiatives can guide efforts to preserve these unique places. Working with State and local partners, NPS plays a vital role in sustaining local efforts to preserve the Nation’s cultural history through a variety of programs that address historic preservation needs nationwide. The 2013 budget request includes \$57.3 million for two NPS historic preservation grant programs, level with 2012. Of this amount, \$55.9 million is for NPS Historic Preservation Fund grants-in-aid to States and Territories, and Tribes, which is equal to the 2012 funding level. This includes \$46.9 million for grants-in-aid to States and Territories and \$9.0 million to Tribes. These grants assist State and Tribal Historic Preservation Offices in their efforts to protect and preserve their historic resources and carry out other activities pursuant to the National Historic Preservation Act and other laws.

The NPS American Battlefield Protection program grants are funded at \$1.4 million, equal with the 2012 level. These grants, which complement the American Battlefield Protection program land acquisition grants funded through the LWCF, assist in the preservation and protection of America’s significant battlefields. These grants support efforts in site identification and documentation, planning, interpretation, and educational projects.



COOPERATIVE LANDSCAPE CONSERVATION

Through our Climate Science Centers and Landscape Conservation Cooperatives, Interior is partnering with others to leverage information and develop the tools and strategies needed to help make future land management decisions in the face of a changing American landscape.

*Ken Salazar, Secretary of the Interior
February 14, 2011*

America's landscapes and the fish, wildlife, plants, and cultural heritage they support are increasingly impacted by a variety of conservation challenges: increased development pressures and related losses of natural landscapes; habitat devastation caused by invasive species; and changes to hydrologic cycles in many basins, leading to increasingly uncertain water supplies, among others. Some of these impacts,



including the loss of habitat and less reliable water resources, are amplified by sea level rise, drought, and other symptoms of a changing climate.

These conservation challenges directly impact the Nation's lands and resources, much of which is managed by Interior. These challenges are also shared by conservation partners in other Federal agencies, State and local governments, Tribes, private conservation organizations, industry, farmers, ranchers, and other resource users. The collective recognition that these challenges transcend agency and geopolitical boundaries requires that all develop and implement a new, more collaborative approach.

This approach includes as a first step – ensuring all interested parties have access to good information about the nature and scope of the conservation challenges various regions are encountering. The next step is to partner with States and other interested partners involved in land use, wildlife, and water issues to develop responses to these challenges. This requires a new way of doing business, on a landscape level, and with a shared view of goals and priorities.

Interior and its Federal, State, and tribal partners have created a national network of 22 Landscape Conservation Cooperatives and eight CSCs to support this new way of doing business.

These regional Climate Science Centers provide fundamental scientific information, tools, and techniques, which resource managers can apply to anticipate and adapt to climate and ecologically-driven changes at regional-to-local scales. The CSCs undertake research, modeling, and development of monitoring strategies and other tools to better understand the extent and impacts of climate change.

The LCCs apply landscape-scale conservation science partnerships that will support and enhance on-the-ground conservation efforts by facilitating the production and dissemination of data and tools.

Importantly, LCCs:

- Promote sharing of data and information with Federal, State, and local resource managers looking for a deeper understanding of the conservation challenges that are, or should be, priorities for their regions. The collaboration allows for the use of existing information and avoids costly and wasteful duplication.
- Create a multi-party forum for Federal agencies, States, Tribes, and local interests to share developments and discuss potential responses to conservation needs in a region and to develop coordinated conservation strategies.

Climate change has been identified as a key factor contributing to landscape change. As a result, Interior has developed a Department-wide climate change strategy. Interior's Climate Change Priority Goal provides that by the end of 2013, for 50 percent of the Nation, the Department will identify resources that are particularly vulnerable to climate change and implement coordinated adaptation response actions.

For example, USGS science is being used to assist State fisheries managers and others in addressing the potential effects of climate on declining and listed trout species in several LCC geographic areas, including the Great Northern, Great Basin, and Southern Rockies. Research supported by the National Climate Change and Wildlife Center and other USGS programs has been used to project possible climate changes, identify how drought and wildfire will affect species such as the bull trout, native redband, and endangered Lahontan cutthroat trout as the climate changes, and assist in identifying management options to respond to these changes. Results from this body of work will be used by the State of Oregon as it drafts conservation plans for redband trout and by the Nevada Division of Environmental Protection in drafting water quality criteria to protect and monitor the State's coldwater fisheries.

In another example, the Central Valley of California contains some of the most important habitats for waterfowl, shorebirds, and other waterbirds in North America. Climate models indicate substantial changes in temperature and precipitation patterns in watersheds that supply water used to manage wetlands and agricultural habitats in this region. These changes could have significant impacts on availability and productivity of these habitats and greatly impact waterbird ecology. Despite these potential impacts, lack of information is preventing large-scale, multi-partner conservation programs from fully considering climate change in conservation planning. This lack of information can lead to misdirected conservation priorities, wasted resources, and reduced program effectiveness. The California LCC, in partnership with the Central Valley Joint Venture and others, is coordinating studies to identify timing and locations of critical waterfowl, shorebird, and other waterbird resources that are most at risk due to climate change in the Central Valley. The study results will be used to develop adaptive management strategies that can be used by water resource and land management agencies to conserve habitat for waterfowl, shorebirds, and other waterbirds.



ON-THE-GROUND RESULTS

The quality and accessibility of our outdoor spaces have a significant impact on the economic and physical health of American communities. Actions under the America's Great Outdoors initiative are reinvigorating a national discussion about the value of conservation, resulting in smart, innovative strategies and investments that respond to the priorities of American communities.

Nancy Sutley, Chair
Council on Environmental Quality
October 12, 2011

For centuries the great outdoors has fueled economic activity through historic uses that were originally required for subsistence, but now are oriented to recreation, like hunting and fishing. These and other recreational pursuits and natural resource related activities employ millions of people. The Outdoor Industry Association reports that outdoor recreation in the United States – from activities such as hunting, fishing, camping, and hiking – contributes an estimated \$730 billion to the Nation's economy. The Department of the Interior's wide range of recreational, conservation, energy, land and water management programs and activities sustain a substantial portion of these economic benefits. In 2010, Interior's programs supported 2.2 million American jobs and contributed \$363.2 billion to the Nation's economic activity.

In 2010, the most recent year that economic impact data is available, 439 million recreational visits to

BLM, FWS, NPS and Reclamation sites supported more than 388,000 jobs nationwide and contributed \$47.9 billion in economic activity. The specific economic impact to rural communities from recreational visits was impressive, including 15,000 jobs in Utah, 14,000 in Wyoming, and 9,000 in Colorado.

Interior's lands that are managed for multiple use support a broader range of activities that have significant economic and job-related benefits. For example, energy development and mining on Interior lands annually support about 1.3 million jobs and \$246 billion in economic activity. In 2010, most of these jobs were in Louisiana, New Mexico, Texas, and Wyoming. Interior's water supply, forage and timber activities, primarily on public lands in the West, supported about 370,000 jobs and \$48 billion in economic activity.

In October, 2011, the Administration released its America's Great Outdoors 2011 Progress Report. This report highlighted the economic impact of the outdoor economy, but focused in greater detail on programmatic accomplishments and progress in aligning Federal actions across agencies. It also provided an America's Great Outdoors Implementation plan for 2012.

Accomplishments in 2011 include:

- The NPS Rivers, Trails, and Conservation Assistance program supported 240 community based projects. These projects, some of which included multiple components or addressed multiple priorities, included 180 trail development projects, 70 river and riparian projects, and 40 projects building community capacity for water trail development.

ECONOMIC IMPACT MULTIPLIERS FOR SELECTED PROGRAMS

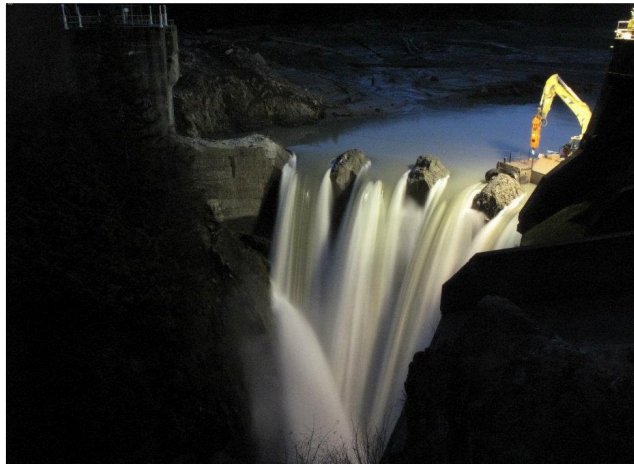
Program	Economic Output per Million \$	Employment per Million \$
Construction	3.01	21.3
Maintenance	2.52	20.3
Land Acquisition	2.06	13.9
LWCF State Grants	2.74	19.4
Historic Preservation Fund Grants	2.80	20.9
State and Tribal Wildlife Grants	1.97	18.0
Cooperative Endangered Species Conservation Fund Grants	1.97	18.0

AMERICA'S GREAT OUTDOORS RIVERS INITIATIVE PROTECTING AND RENEWING AMERICA'S RIVERS

The more than 3.6 million miles of rivers and streams that wind through the Nation provide America's drinking water, fuel the economy, sustain critical ecosystems, and offer endless opportunities for recreation and enjoyment. From the upper Midwest prairie potholes to the California Bay-Delta, water has shaped the Nation's social, cultural, and economic development and enabled its prosperity. Countless cities and towns are next to waterways, making these waters a clear outdoor recreation opportunity for many. Today, American life remains inextricably linked to the rivers and shores on which it was founded.

In AGO listening sessions, participants expressed their passion for the rich natural and cultural history of these waterways, and appreciation of their recreational, economic and ecological importance. To fulfill the President's vision for healthy and accessible rivers, the Secretary has developed an AGO Rivers initiative to focus Interior's efforts to restore and conserve major river systems across the Nation. The Secretary's goals include:

- Making rivers and river restoration and recreation a priority throughout the Department.
- Identifying clear near-term priorities and objectives for river restoration and recreation.
- Improving coordination and communication among Interior bureaus about river priorities.
- Encouraging new ideas, policies, and projects to restore, conserve, and increase recreational use of rivers.
- Developing lasting strategies that help meet long-term river restoration and recreation goals.



As part of this initiative, Interior and its bureaus will undertake Interior-led river restoration and recreation projects in all 50 States; develop a National Blueways System to recognize communities which rediscover, restore, and reconnect with rivers; and work with partners to develop a National Rivers Atlas and other online river restoration and recreation tools.

The 2013 budget supports this initiative by strategically focusing funding on several large scale river projects. A clear example of the spirit of this initiative is Interior's restoration of the Elwha River in Washington. The budget request for NPS construction includes \$3.5 million for this project, the largest dam removal project in American history.

Led by the NPS in coordination with Reclamation, FWS, BIA, the U.S. Army Corps of Engineers and the Lower Elwha Klallam Tribe, the Elwha River restoration will reopen more than 70 miles of pristine spawning and rearing habitat in the Elwha River and its tributaries. Salmon populations are predicted to swell from 3,000 to nearly 400,000 as all five species of Pacific salmon return to one of the Pacific Northwest's most productive salmon streams. The return of salmon to the largest watershed in Olympic National Park will return marine-derived nutrients to the watershed, restoring a vital food source for the range of life that inhabits it. For the Lower Elwha Klallam Tribe, this project will bring cultural, spiritual, and economic healing as salmon return after a century's absence and flooded sacred sites are restored.

- Interior and the U.S. Army Corps of Engineers, designated 41 local and regional trails, stretching across 17 States, as National Recreation Trails. These trails added nearly 650 miles to the National Trails System, and will help people to reconnect with the history and natural beauty across America while providing additional recreational resources to local communities.
- The FWS added the Dakota Grassland Conservation Area to the national wildlife refuge system. The FWS is working with private landowners in North and South Dakota to sustain the area's ranching heritage and accelerate the conservation of native prairie—both wetland and grassland habitats—within the prairie pothole region in the eastern parts of those States. The refuge was officially established with the

purchase of a conservation easement in September 2011. The project could ultimately protect up to 1.7 million acres of critical grassland habitat and 240,000 acres of wetland habitat through conservation easements bought from willing sellers. Key partners include the South Dakota Grassland Trust, Ducks Unlimited, The Nature Conservancy, and Partners for Conservation. Ducks Unlimited has already pledged \$50 million for this project.

The national conversation about America's Great Outdoors began in April 2010 and through 51 listening sessions held during 2010, the Department received input used as the basis to identify major goals and action items for public lands conservation. During the spring and summer of 2011, Secretary Salazar continued the conversation with Americans outside Washington, this time seeking recommenda-

THE AMERICA'S GREAT OUTDOORS FIFTY-STATE REPORT **MIDDLE RIO GRANDE NATIONAL WILDLIFE REFUGE** **ALBUQUERQUE, NEW MEXICO**

Project Description and Need – Price's Dairy is five miles south of downtown Albuquerque, New Mexico on North America's second largest river, the Rio Grande. Comprised of 570 acres, this former dairy is one of the largest remaining farms in the Middle Rio Grande Valley and the largest agricultural property in the Albuquerque metro region. The property's size and location has made it the target of multiple development initiatives as well as efforts by various Federal, State, and local agencies to preserve and protect it. The Secretary of the Interior recently announced establishment of a new national wildlife refuge in this location.

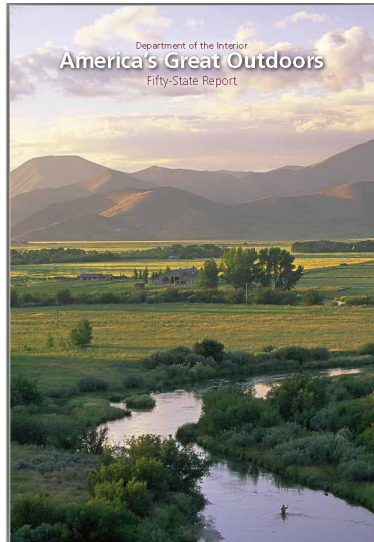
This urban refuge will provide greater access for wildlife-dependent public recreation for Albuquerque residents and contribute to objectives for protection and restoration of river corridor habitats and the historic cottonwood-willow community, common referred by its Spanish name, bosque. The bosque supports a diverse array of wildlife including endangered species, such as the Rio Grande silvery minnow and the Southwestern willow flycatcher, as well as neo-tropical migratory birds, raptors, and pollinators.

Protecting the property as a refuge will greatly bolster environmental education for students and provide a gateway to the larger regional refuge system. Also, because of its significant water rights, protecting this property will add to the health and vitality of the adjacent Rio Grande, which struggles not only to support the people who depend on it for water but the wildlife living in and around it. This is one of the last undeveloped parcels along the Rio Grande. The river corridor also provides an opportunity for hiking and biking along the State-planned Rio Grande Trail. This project could also serve as a catalyst for a broader restoration effort on the Middle Fork of the Rio Grande River.

Potential Action – Protect the Middle Rio Grande National Wildlife Refuge.

Partners – Reclamation, FWS, State of New Mexico, City of Albuquerque, Bernalillo County, nonprofit organizations, and private sector interests

tions from each State about future opportunities that support the America's Great Outdoors initiative. The Secretary asked Governors and stakeholders in all 50 States to identify specific projects in which the Federal government could partner with States to advance the AGO goals. The *America's Great Outdoors Fifty-State Report* summarizes two project ideas in each State and one in Washington, D.C. The Department of the Interior and other Federal agencies are partnering with State and local governments and other stakeholders to complete these



projects and demonstrate a shared conservation and recreation agenda. The Interior Department is dedicating its resources and partnering with States and communities to leverage grants, private funding, and other resources to help ensure the success of these projects. As a portfolio of shared priorities, and in partnership with States and communities across the Nation, these 101 projects will:

- Conserve tens of thousands of acres of working lands and wildlife habitat in large landscapes through voluntary conservation agreements.
- Improve access to the great outdoors by protecting, constructing or improving over 100 miles of trail and trail connectors.
- Enhance parks and increase access to rivers in and around urban areas.
- Engage thousands of youth through education, volunteerism, and employment to help them build a lifelong passion for the outdoors.

LANDSCAPE CONSERVATION COOPERATIVES AT WORK

It's not easy being an arctic fish – many streams and lakes freeze to the bottom in winter, so reaching a safe overwintering site in the fall is a matter of life or death. But scientists have noticed some arctic streams becoming victims of late summer droughts that trap fish in isolated pools, blocking them from returning to their traditional overwintering sites. With global climate models forecasting longer, warmer arctic summers, fisheries biologists are concerned that these “drying events” may become more common in the future. In cooperation with fisheries biologists from FWS and the Woods Hole Oceanographic Institution, the Arctic LCC is funding work that identifies the weather conditions associated with drying events, and uses climate models to project whether migration conditions are deteriorating. The degree to which waterways are vulnerable to climate change will have a big impact on fish populations and their availability for the arctic people who rely upon these fish.



RESEARCH AND DEVELOPMENT

Investments in research and development promote economic growth and innovation, ensure American competitiveness in a global market, and are critical to achieving the mission of the Department of the Interior. For example, investments in research and development will improve U.S. strategic mineral supplies, water use and availability, and natural hazard preparedness. The 2013 budget request increases total Interior R&D funding by \$60.0 million for BLM, Bureau of Safety and Environmental Enforcement, USGS, and FWS. As a result of long term investments in R&D, Interior is able to address critical societal challenges in the following areas:

- The increased use of hydraulic fracturing for developing energy resources has raised questions about induced seismicity and linkages to natural hazards as well as impacts on water quality and quantity and habitat health. In 2013, the USGS, in coordination with the Environmental Protection Agency and the Department of Energy, proposes new research to characterize gas resources and address the pressing science issues related to hydraulic fracturing. This new research would build on existing R&D efforts.
- The Bureau of Reclamation is researching whether the use of *Pseudomonas fluorescens*, a common bacterium found in soil and water, can be used to control zebra and quagga mussels – two invasive species that have significant impacts on Reclamation and other water infrastructure. Unlike mechanical treatments, these treatments should not require facilities to shut down ongoing operations and can be applied to pipes with small diameters. Moreover, the bacterium has been found to work faster and with less environmentally hazardous effects or byproducts than traditional biocide treatments.
- The Bureau of Ocean Energy Management is working with the University of Texas and a team of arctic researchers on a five year comprehensive study of the Hanna Shoal ecosystem in the Chukchi Sea off Alaska's northwest coast. Past studies have identified this area as an important biological ecosystem which supports a high concentration of marine life. Valuable data on physical and biological processes in the area obtained from this research effort will be combined with the results of previously conducted studies. The resulting information will be used by industry, as well as by BOEM in decisions regarding energy development in this region, and will be included in future National Environmental Policy Act analyses.
- In 2011, the USGS used cutting edge technology to complete the genome sequencing of the fungus that causes the skin infection that is a hallmark of the White-nose Syndrome that is decimating bat populations. This sequencing will support further research that is necessary to develop management strategies to mitigate the spread of the syndrome among bats. Recognizing that the impact of WNS is not limited to wildlife health, the USGS and university partners produced a study which determined that bats contribute \$3.7 billion to the agricultural economy by eating pests harmful to agricultural and forest commodities.





New Energy Frontier

What's happening in California is nothing short of a revolution – clean energy is creating jobs, powering our economies, and making believers out of skeptics.

*Ken Salazar, Secretary of the Interior
January 13, 2012*

Putting these construction projects on a fast track will put people back to work and keep California a leader in renewable energy.

*Edmund G. Brown Jr., Governor
State of California
January 13, 2012*

On January 13, 2012 Secretary of the Interior Ken Salazar and Governor Brown signed an agreement to expand a State and Federal partnership that has, over the last two years, paved the way for more than a dozen utility-scale solar energy projects and more than 130 renewable power projects in California. These projects, which underwent rigorous environmental review, will generate thousands of construction jobs and power local economies. If all of these projects were built today, California would have enough renewable power to meet the State's 33 percent renewable energy goal.

The Secretary's focus on building a new energy frontier encourages the production, development, and delivery of renewable energy as one of the Department's highest priorities. The Secretary directed Interior agencies to work collaboratively with other Federal agencies, States, Tribes, local communities, and private landowners to encourage the timely and responsible development of renewable energy and associated transmission, while protecting and enhancing the Nation's water, wildlife, cultural, and other natural resources.

As managers of one-fifth of the Nation's landmass and 1.7 billion acres of the Outer Continental Shelf, the Department of the Interior plays a significant role in meeting the President's challenge to man-

PRESIDENT OBAMA'S BLUEPRINT FOR A SECURE ENERGY FUTURE

Develop and Secure America's Energy Supplies

We need to deploy American assets, innovation, and technology so that we can safely and responsibly develop more energy here at home and be a leader in the global energy economy. To get there, we need to:

- *Expand Safe and Responsible Domestic Oil and Gas Development and Production.*
- *Lead the World Toward Safer, Cleaner, and More Secure Energy Supplies.*

*Blueprint for a Secure Energy Future
March 2011*

age America's resources to responsibly produce more energy at home. Oil and gas development on Federal public lands and waters presently account for about 24 percent of the Nation's energy supply. These public resources also hold vast potential for renewable energy production from wind, solar, geothermal, hydropower, and biomass that – together with conventional energy resources – can contribute to the Nation's energy security and to the clean energy economy of the future. These resources are also a significant source of economic development and employment. In 2010, the Department estimates that development of energy resources and other minerals on Federal lands produced roughly 1.3 million jobs and \$246 billion in economic activity. Nearly \$5.5 billion in economic impacts are associated with

renewable energy activities, a growing economic sector that supports high paying jobs that will help to increase employment and offset declines in other sectors of the economy.



Renewable Energy – President Obama’s *Blueprint for a Secure Energy Future* identifies the Nation’s primary energy challenge as the need to achieve a balance between conventional and renewable energy sources. America’s oil and natural gas supplies are critical components of the Nation’s energy portfolio. Their development enhances energy security and fuels the Nation’s economy. Recognizing that America’s oil supplies are limited, the Nation must develop domestic resources safely, responsibly, and efficiently, while taking steps that will ultimately lessen America’s reliance on oil and move towards a clean energy economy.

Since 2009, the Interior Department has moved aggressively toward the responsible development of renewable energy resources such as wind, solar, geothermal, and sustainable hydropower. As the conventional energy industry addresses the environmental impacts of development and works to achieve higher standards, renewable energy developers are working to create a new energy industry, incorporating clean, safe standards from the outset. In delivering new energy to America, Interior, working with Federal partners, States, and local communities, is guided by the fundamental belief that renewable energy development, where promoted and sited in a thoughtful way, can fully contribute to conservation and protection of the environment.

Responsible and Accountable Energy Development – In 2013, the Department will continue the work undertaken in response to the Deepwater Horizon oil spill to enhance the safety with which

RENEWABLE ENERGY PRIORITY GOAL

In 2010, the Department established a priority goal to deliver tangible results in promoting the development of renewable energy resources. The Department’s 2013 budget continues to aggressively support achievement of this goal to:

Increase the approved capacity for production of energy from domestic renewable resources to support a growing economy and protect the national interests while reducing U.S. dependence on foreign oil and climate-changing greenhouse gas emissions.

The metric to measure achievement of this goal is:

By September 30, 2013, the Department of the Interior will increase the approved capacity for production or transmission of power generated from renewable (solar, wind, geothermal, and hydropower) energy resources, while ensuring full environmental review, by at least 11,000 megawatts since the 2009 cumulative level of 1,530 megawatts.

the Nation’s energy resources are developed. The Department has completed the reorganization of its offshore regulatory responsibilities. The newly-established Bureau of Ocean Energy Management is now responsible for managing development of the Nation’s offshore resources in an environmentally and economically responsible way. The Bureau of Safety and Environmental Enforcement ensures improved safety and environmental regulations. The BSEE is responsible for offshore regulatory programs, research, oil spill response, and all field operations including permitting and inspections. The revenue collection and disbursement functions of the former Minerals Management Service are now conducted separately by the Office of Natural Resources Revenue within the Office of the Secretary.

Since the oil spill, the Department has raised the bar for safety and environmental responsibility by setting standards and certification protocols for drilling well design, testing, and control equipment and establishing rigorous performance standards to

reduce workplace error and to require operators to maintain comprehensive safety and environmental management programs. Deepwater operators must show they have the capability to contain a subsea discharge of similar size and scope as the Deepwater Horizon oil spill. These standards set a clear, achievable path for responsible offshore exploration, development, and production.

As the steward for the development of the Nation's oil and gas resources, Interior is keenly aware of its responsibilities to the American taxpayer. In 2011, Interior collected \$11.2 billion from energy production on public and tribal lands and offshore areas – a \$2.0 billion increase over the previous year – and disbursed those revenues among Federal, State, and tribal governments.

To promote accountable energy production worldwide, Secretary Salazar is leading the Administration's effort to implement the Extractive Industries Transparency Initiative. The EITI requires governments to publicly disclose their revenues from oil, gas, and mining assets, and for companies to make parallel disclosures regarding payments. The Interior Implementation Team is developing a timeline and project plan to ensure completion of the EITI application requirements. Working with industry and the public, the Department will establish a multi-stakeholder group to oversee the design and implementation of EITI. Signing onto the global standard that EITI sets will help ensure that American taxpayers are receiving every dollar due for the extraction of these valuable public resources.

ONSHORE OIL AND GAS DEVELOPMENT NEW PRIORITY GOAL FOR 2013

GOAL:

Improve production accountability, safety, and environmental protection of oil and gas operations through increased inspection of high-risk oil and gas production cases.

METRIC:

By September 30, 2013, the Bureau of Land Management will increase the completion of inspections of Federal and Indian high risk oil and gas cases by nine percent over 2011 levels, the equivalent of covering as much as 95 percent of the potential high risk cases.

The 2013 budget includes a new priority goal targeting onshore oil and gas operations to ensure taxpayers are receiving revenues owed for production and that operations are safe and environmentally responsible. Although the priority goal focuses on the onshore inspection and monitoring program, milestones and deliverables will be used to gauge the reduction of risks in other areas of production and revenue collection. Interior has established this goal to produce tangible results in an area identified by the Government Accountability Office for improvement.

NEW ENERGY FRONTIER (dollars in millions)

	2012	2013	Change
RENEWABLE ENERGY			
BLM.....	19.7	26.8	+7.1
BOEM.....	33.0	34.4	+1.4
RECLAMATION	0.0	2.0	+2.0
USGS	5.6	6.6	+1.0
FWS	7.0	10.7	+3.8
BIA	6.0	6.0	0.0
Subtotal.....	71.2	86.5	+15.2
CONVENTIONAL ENERGY AND COMPLIANCE			
BLM.....	126.5	147.4	+21.0
BOEM.....	127.8	129.8	+2.0
BSEE	197.4	222.2	+24.8
USGS	25.2	37.4	+12.2
FWS	3.1	3.4	+0.3
BIA	2.5	2.5	0.0
ONRR.....	119.4	119.6	+0.2
Subtotal.....	601.9	662.3	+60.4
TOTAL	673.1	748.7	+75.6

2013 BUDGET SUMMARY

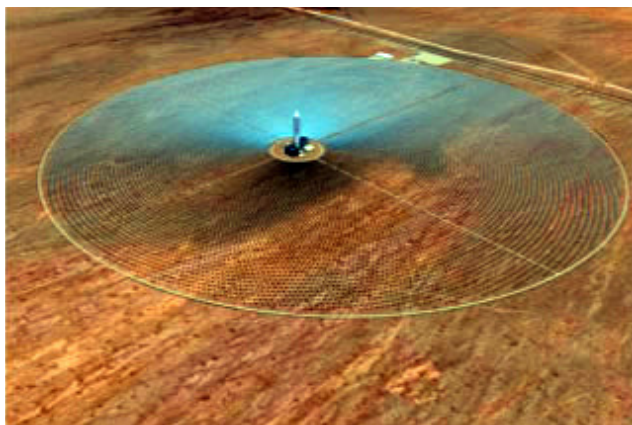
The 2013 budget request for the New Energy Frontier initiative totals \$584.4 million in current funding. This is an increase of \$25.3 million over the 2012 level. In addition, the Department will manage \$164.4 million in funding for conventional energy activities from fees and permanent sources, including fees charged for inspections, and applications for permits to drill, and funding from the Permit Processing Improvement Fund established by Section 365 of the Energy Policy Act. Spending from fees

and permanent funding is increased \$50.4 million from the 2012 level, reflecting a proposal to expand onshore oil and gas inspection activities and offset the Bureau of Land Management's inspection program costs to the taxpayer with fees from industry. Total funding for the New Energy Frontier initiative in 2013 is \$748.7 million, an increase of \$75.6 million over the 2012 level.

The 2013 budget request for New Energy Frontier programs includes \$86.5 million for renewable energy activities, a \$15.2 million increase over the 2012 level. Funding for conventional energy and compliance activities, both current and permanent, totals \$662.3 million, an increase of \$60.4 million over the 2012 level. New Energy Frontier funding supports strategic investments to advance renewable energy development, enhance environmental enforcement functions, expand training and electronic inspection capabilities, and fund operational safety improvements.

The budget also assumes several legislative proposals related to energy programs described fully in the Departmental Overview to:

- Charge a fee on non-producing oil and gas leases issued in the future.
- Share the costs of administering Federal energy and minerals programs with the States that receive a share of program revenues.
- Repeal, beginning in 2014, Energy Policy Act provisions that divert mineral leasing receipts from Treasury to onshore oil and gas operations.



- Terminate Energy Policy Act payments to counties from Federal geothermal development.
- Eliminate unnecessary Energy Policy Act deep gas royalty relief production incentives for future leases.

DEVELOPING RENEWABLE ENERGY

The development of new renewable energy sources need not come at the expense of the Nation's natural and cultural heritage. If promoted and sited in a thoughtful way, new energy development can, instead, contribute to conservation and protection of the environment.

New Energy Frontier: Balancing Energy Development on Federal Lands May 2011

In 2011, 38.5 million acres of onshore Federal lands were under oil and gas lease, with about 12.1 million acres in production. Yet until 2010, when Secretary Salazar approved nine new solar projects on Federal lands, representing approximately 3,700 megawatts of electric generating capacity, there was not a single commercial solar energy project on or under development on Federal lands. The right-of-way grants for these solar projects encompass approximately 36,000 acres. Offshore, a similar historic imbalance exists between renewable and conventional energy development, with over 35 million acres under oil and gas lease and 6.2 million in production, and no Federal offshore wind or marine hydrokinetic energy production.

As part of the Administration's New Energy Frontier initiative, Secretary Salazar approved 29 commercial-scale renewable energy projects on public lands or the transmission associated with them since 2009. This includes 16 solar, five wind, and eight geothermal projects. Together, these projects represent more than 6,500 megawatts and 12,500 jobs and when built, will power about 1.3 million homes.

In addition, the Department has identified more than 3,000 miles of transmission lines for expedited review. In October 2011, Secretary Salazar announced Interior would accelerate the permitting and construction of seven proposed electric transmission lines. These projects will serve as pilot



demonstrations of streamlined Federal permitting and increased cooperation at the Federal, State, and tribal levels. Federal coordination for this effort is unprecedented, involving nine Federal entities who have committed to accelerate responsible and informed deployment of these seven key transmission facilities that will cross 12 States.

In 2011, the Department made significant achievements to advance responsible development of renewable energy on the public lands. The Department:

- Issued a joint report to Congress with the Department of Agriculture entitled *New Energy Frontier: Balancing Energy Development on Federal Lands*, which highlighted the potential for responsible renewable energy development and laid out a plan for interdepartmental coordination.
- Created a roadmap for solar energy development in six western States – 285,000 acres across 17 solar energy zones – identifying for the first time ever Federal public lands for the specific purpose of developing utility scale solar energy development.
- Identified four Wind Energy Areas off the shores of Delaware, Maryland, New Jersey, and Virginia, and one proposed WEA off Massachusetts and Rhode Island for potential development for wind energy facilities, as part of the Department's Smart from the Start Atlantic Offshore Wind initiative.
- Approved the construction and operations plan for the Cape Wind Energy Project off the coast of Massachusetts, the next step toward construction of the Nation's first-ever offshore commercial wind operation.
- Issued a public notice requesting competitive interest in constructing renewable transmission facilities in response to a request for a right-of-way for an offshore transmission line running from Virginia to New York.
- Authorized 198 rights-of-way for the use of public lands for wind energy site testing or development.
- Streamlined policies to allow non-Federal hydropower development at its facilities through Lease of Power Privilege in cases where the Bureau of Reclamation has authority to develop hydropower, and Federal Energy Regulatory Commission licensing where Reclamation does not. At the end of 2011, nine Lease of Power Privilege projects and 13 FERC License projects were in progress at Reclamation facilities. Three FERC license plants became operational in 2011.



The Department's New Energy Frontier initiative includes \$86.5 million for renewable energy activities, an increase of \$15.2 million above the 2012 enacted level. The funding requested is critical to advance development of vast wind resources along the Atlantic coast and to conduct the necessary environmental work to allow responsible construction of renewable energy power generation and transmission facilities on the public lands.

Bureau of Land Management – The BLM has identified 20.6 million acres of public land with wind energy potential in 11 western States, 20 million acres with solar energy potential in six southwestern States, and 111 million acres of public land in western States and Alaska as open for geothermal leasing. Lands managed by BLM can provide corridors for energy transmission infrastructure, a function that is vital to the Nation’s overall ability to efficiently and effectively utilize energy and power.

The 2013 BLM budget includes \$26.8 million for renewable energy activities, an increase of \$7.1 million over the 2012 level, including \$5.1 million in new funds and a shift of \$2.0 million in base geothermal energy funding from the Oil and Gas Management program. The 2013 request continues development of renewable energy resources and related transmission infrastructure in a timely, yet environmentally sound manner, avoiding or minimizing conflicts with other important public land values and uses.



The 2013 request will enable BLM to conduct additional studies to accelerate identification of prime renewable energy resource areas for utility scale wind and solar development in areas with minimal environmental conflicts.

The BLM requested increase of \$7.1 million will support environmental studies for utility-scale renewable energy project development and allow BLM to continue effective management of the Department’s geothermal energy program. Over the last several years, BLM’s geothermal energy program relied extensively on permanent funding in the Geothermal Steam Act Implementation Fund, established by the Energy Policy Act of 2005. This permanent funding source has expired and remaining balances in the special fund will be exhausted during 2012. The requested increase will maintain program capacity to allow BLM to keep up with the demand and workload associated with geothermal and other renewable energy development. Activities

include performing requisite environmental studies, conducting lease sales, performing inspections, and other activities needed to ensure development is conducted in an environmentally sound manner and taxpayers receive a fair return on this national resource.

Bureau of Ocean Energy Management – In 2010, Secretary Salazar launched the Smart from the Start initiative to accelerate the leasing and development process for wind energy projects on the OCS. The initiative calls for the preparation of detailed environmental analysis only where it is needed, allowing lease sales to proceed under environmental assessments, while requiring a detailed environmental impact statement only when a lessee proposes to develop and install a wind energy project. This enables BOEM to issue leases far earlier than originally anticipated and will accelerate the time line for the ultimate installation of commercial-scale wind energy projects on the OCS.

The 2013 BOEM budget includes \$34.4 million for renewable energy development, including an increase of \$1.4 million to support renewable energy leasing. The increase will fund critical contract support for future lease auctions as well as the acquisition of wind resource data to support the sales. With these additions, BOEM anticipates a substantial increase in commercial renewable energy leasing activity on the OCS in 2013.

Bureau of Reclamation – The 2013 budget request includes \$2.0 million to increase renewable energy generation at Reclamation facilities. Reclamation has been exploring how technologies including solar, small hydropower, and hydrokinetics can be integrated into its water projects. In 2013, Reclamation will work to optimize hydropower projects to produce more energy with the same amount of water, investigate hydro pump-storage projects



that can help integrate large amounts of a variety of renewable resources such as wind and solar into the electric grid, and assist Tribes with the development of renewable energy resources.

Fish and Wildlife Service – The 2013 FWS request includes \$10.7 million, an increase of \$3.8 million over the 2012 level, to expand capability to fulfill endangered species consultation requirements for renewable energy projects. The request includes \$1.5 million in the Endangered Species Consultation program to conduct environmental reviews to facilitate development of renewable energy projects, and \$1.5 million, split between Conservation Planning Assistance and Migratory Bird Conservation and Monitoring. The 2013 funding will enable FWS to cooperate with Federal, State, tribal, and local governments and the renewable energy industry to ensure priority landscape level planning considers the impacts on wildlife and habitat. Pro-active consultation and cooperation will limit lengthy delays as project planning nears completion and should minimize legal challenges that might hinder project development.



The request also includes a program increase of \$750,000 for law enforcement activities that address the impact of energy development on wildlife and habitat. These efforts will help ensure that the Nation's energy development occurs in an environmentally responsible manner that reflects the Department's long standing commitment to wildlife conservation. The issuance of voluntary guidelines by FWS for the wind power industry in 2012 will set the stage for increased outreach and investiga-

tive efforts by special agents to address impacts on wildlife. The recommended conservation measures featured in these guidelines enable the FWS to apply the long standing enforcement model that has successfully been used to ensure compliance with Federal wildlife laws by companies operating in traditional energy sectors.

Indian Affairs – The budget provides \$6.0 million, the same as the 2012 level, for renewable energy projects. This program supports development of renewable energy projects to provide a reliable renewable energy resource for use in manufacturing and industrial processes on Indian Trust lands. Renewable energy development on Indian lands has the advantage of attracting outside investment, enabling Native American business ownership, and

INDIAN EDUCATION RENEWABLE ENERGY CHALLENGE

The Indian Education Renewable Energy Challenge competition promotes careers in green and renewable energy for students attending Bureau of Indian Education high schools, tribal colleges, and universities. This contest is sponsored by Indian Affairs in partnership with the Department of Energy's Argonne National Laboratory.

The 2011 challenge was for Indian high school and college students to address issues concerning the practical use of renewable energy resources. The 2011 challenge involved preparing bio-diesel fuel and establishing purity and performance characteristics, using a portable electric bio-diesel powered generator.

The two top entries this year were from the Southwestern Indian Polytechnic Institute and the Oneida Nation High School. Each team submitted a video showing their bio-diesel fuel production process, a video of their bio-diesel generator in operation powering an appliance, and a 100 milliliter sample of their fuel for analysis. Representatives from these schools were invited to attend a two-day series of meetings with Argonne scientists and an award ceremony at Argonne's National Laboratory in Chicago.

spurring job creation on reservations that often have double the unemployment rate compared to the rest of the United States.

For example, in 2011, the Oneida Tribe of Wisconsin through its tribally-owned corporation, Oneida Seven Generations Corporation, is pursuing development of a five megawatt waste-to-energy power plant and recycling center, utilizing municipal solid waste generated in Green Bay, Wisconsin. This project will divert 188 tons of municipal solid waste per day from landfills and will recover an estimated 13 tons per day of recycled materials. The Indian Affairs staff provided technical assistance and advice for the energy recovery facility that will use pyrolysis/gasification technology. The Oneida Seven Generations Corporation also received grant funding from Indian Affairs to complete various engineering and design studies.

U.S. Geological Survey – The 2013 USGS budget includes \$6.6 million, an increase of \$1.0 million over the 2012 level, for renewable energy activities. The increase will be used to understand and assess the impacts of existing and projected large-scale development of wind farms. The USGS will work to develop a methodology to assess the impacts of wind energy development that can be applied nationwide. Research and development of the assessment methodology will take place in 2013 and 2014.

CONVENTIONAL ENERGY DEVELOPMENT

Over the last two years, domestic oil and natural gas production has increased. In 2010, American oil production reached its highest level since 2003, and total U.S. natural gas production reached its highest level in more than 30 years. Much of this increase has been the result of growing natural gas and oil production from shale formations as a result of recent technological advances. These resources, when developed with appropriate safeguards to protect public health, will play a critical role in domestic energy production in the coming decades.

***Blueprint for a Secure Energy Future
March 2011***

Despite projected growth in renewable energy, fossil fuels, mostly petroleum and natural gas, are

expected to remain a significant source of energy used in the United States for some time to come. As part of the Administration's national energy strategy, the Department is working to advance the safe development of conventional energy sources within the United States.



Offshore conventional energy development continues with the reforms initiated following the Deepwater Horizon oil spill. The Gulf of Mexico is a prized resource development area and Interior's reform efforts will ensure development is a safe and environmentally sound activity. The reforms establish rigorous standards for well safety including the consideration of worst case discharge scenarios and demonstration of the ability to contain discharges in the event an operator loses well control. The Department's offshore regulators continue to work with industry to implement the reforms, improve efficiency, and advance the development of domestic resources. These reforms will help to protect the men and women who work offshore as well as the coastal and marine environment while securing development of abundant oil and gas resources. The Department anticipates a record number of deepwater drilling facilities will be operating in the Gulf of Mexico by the end of 2012.

The waters offshore of Alaska also hold significant potential for conventional energy development. In 2011, BOEM conditionally approved exploration plans from Shell for multiple well activities in the Beaufort and Chukchi Seas. A second multiple well plan in the Chukchi Sea Planning Area is anticipated from ConocoPhillips in 2012. Operators in the Beaufort and Chukchi Seas will also adhere to rigorous standards for well safety including the consideration of worst case discharge scenarios. The BOEM is coordinating with FWS and the National Oceanic and Atmospheric Administration to ensure compliance with all environmental laws. In Alaska, BOEM will continue to focus on foundational re-

search in the Beaufort and Chukchi Seas and the Cook Inlet Planning Area to help ensure that any future development is supported by the best information and is as safe and environmentally responsible as possible.

FOREIGN OIL AND GAS IMPORTS ARE DECLINING

Even as the Nation responded to the Deepwater Horizon oil spill in the Gulf of Mexico in 2010, total U.S. crude oil production was higher than in any year since 2003. Overall, imports of oil and gas have fallen by nine percent since 2008, and net imports as a share of total consumption have declined from 57 percent in 2008 to less than 50 percent in 2010.

*New Energy Frontier Report
May 2011*

In support of the President's *Energy Blueprint*, BOEM is expanding safe and responsible oil and gas development and production to harness America's energy potential. Progress to reduce the Nation's dependence on foreign oil and gas is evident – in 2010, America produced more oil than it had in the last seven years. Interior is taking steps to encourage more offshore oil exploration and production—as long as it is safe and responsible. In December 2011, BOEM resumed leasing in the Gulf of Mexico with Western Gulf of Mexico Oil and Gas Lease Sale 218, covering an area of more than 21 million acres. The sale attracted 20 companies submitting 241 bids totaling over \$712 million. The BOEM recently announced plans to hold another lease sale in the Central Gulf of Mexico this June.

In November 2011, the Department announced the proposed OCS Five-Year Oil and Gas Leasing Program for 2012-2017, which continues the responsible development of conventional energy. Informed by lessons learned from investigations into the Deepwater Horizon incident, the five year lease program makes more than 75 percent of the undiscovered technically recoverable oil and gas resources estimated in Federal offshore areas available for leasing. The proposed program offers substantial acreage in six offshore planning areas with currently active leases and exploration and known or anticipated hydrocarbon potential. This proposed program schedules 15 potential lease sales

Outer Continental Shelf Oil and Gas Development Process



during the five year period: 12 in the Gulf of Mexico and three off the coast of Alaska in the Cook Inlet and the Beaufort and Chukchi Seas. These Alaska sales are scheduled late in the five-year period to facilitate further scientific study and data collection, long-term planning for spill response preparedness and infrastructure, and protection of sensitive environmental resources including those accessed by Native Alaskans for subsistence uses.

The 2013 budget request for current and permanent conventional energy and minerals programs is \$662.3 million, an increase of \$60.4 million above the 2012 level, to support environmentally sound and safe development of conventional energy resources on public lands and the OCS. This includes an increase of \$26.8 million to continue aggressive implementation of reforms within BOEM and BSEE.

Bureau of Land Management – Federal onshore oil and gas resources are vital components of the Nation's energy portfolio and will continue to play an important role in the Administration's comprehensive energy strategy. The Administration has placed a premium on making sure oil and gas development proceeds in an environmentally sound manner and that production is properly accounted for, ensuring the American people are fully compensated for the development of these energy resources. In 2010, BLM implemented onshore leasing reforms to establish a more orderly, open, and environmentally sound process for developing oil and gas resources on public lands.

In an effort to reduce protests, BLM is conducting planning, engaging the public, and evaluating environmental concerns earlier in the leasing and development process. In areas where significant new oil and gas development is anticipated, BLM

now works with the public to develop Master Leasing Plans that help guide industry to lower conflict areas for development.



These new leasing policies and practices ensure protection of important natural resources on BLM-managed lands, while aiding in the orderly development of onshore oil and natural gas deposits and reducing the Nation's dependence on imported oil. Since implementation of the reforms, the number of protests has declined and the protests that have been received can now be resolved more quickly. In 2011, 36 percent of BLM's oil and gas leases were protested – down from 47 percent in 2009.

DEPARTMENT OF THE INTERIOR ONSHORE OIL AND GAS DEVELOPMENT

- In calendar year 2011, BLM held 32 lease sales covering 4.4 million acres, including three of the largest sales in the bureau's history in Montana, Utah, and Wyoming. The BLM projects 32 more lease sales for calendar year 2012.
- In 2011, there are 38.5 million acres of public lands under lease for oil and gas development, of which 12.1 million acres were producing.
- In 2010, BLM processed more than 5,200 applications for permits to drill on Federal and Indian lands. In 2011, BLM processed another 5,200 APDs.

The 2013 BLM budget includes a total of \$147.4 million for conventional current and permanent energy programs, an increase of \$21.0 million above the 2012 level. Current funding for BLM's conventional oil and gas activities totals \$48.1 million, a decrease of \$26.4 million below the 2012 level, reflecting a proposal to shift the costs of onshore oil and gas inspections from the taxpayers to industry. The 2013 BLM budget includes important increases needed to implement the oil and gas leasing program in a timely manner responsive to industry demand, and with an effective inspection and enforcement program that safeguards the environment and protects the American taxpayers' interests through proper reporting and accounting of production.

The budget includes a \$5.0 million program increase to restore BLM's leasing and oversight capacity to the 2011 enacted level, as it was reduced in 2012 appropriated funding. The BLM is also requesting an additional \$3.0 million in 2013 to conduct large regional studies and environmental impact statements for conventional energy issues.

A \$5.0 million program increase is requested to enable BLM to effectively implement its 2010 leasing reforms without sacrificing other program goals, such as providing industry with timely access to Federal oil and gas resources. This funding increase will allow BLM to provide additional public participation and conduct additional, timely, and defensible environmental reviews, with the goal of further reducing protests on lease sales.

The 2013 budget also proposes to expand and strengthen BLM's oil and gas inspection capability through the collection of industry fees for inspections. The fee schedule included in the budget is estimated to generate \$48.0 million in collections, offsetting a proposed reduction of \$38.0 million in



appropriated funds currently supporting inspection and enforcement activities. This provides a net increase of \$10.0 million in funds available for this critical BLM management responsibility. The increased funding is aimed at correcting deficiencies identified by the Government Accountability Office in its February 2011 report, which designated Federal management of oil and gas resources, including production and revenue collection, as high risk.

A \$10.0 million increase will improve BLM's capability to achieve the priority goal of increasing the completion of inspections on Federal and Indian high risk oil and gas cases by nine percent over 2011 levels. The BLM will also complete more environmental inspections to ensure environmental requirements are being followed in all phases of development. The BLM will pursue the use of automated monitoring technology along with the addition of inspectors and surface compliance staff to improve efficiencies as it strengthens the inspection and enforcement program in 2013.

The 2013 request for Oil and Gas Management also reflects a shift of \$2.0 million to the Renewable Energy subactivity. Beyond this shift of funding and the proposed increases in the request for appropriations and offsetting inspection fees, the BLM budget request assumes \$18.9 million in permanent funding remains available for the oil and gas program from the Permit Processing Improvement Fund in 2013. As noted in the Overview Section, the budget proposal to terminate this permanent fund would take effect in 2014.

Bureau of Ocean Energy Management – The 2013 BOEM budget includes \$129.8 million for conventional energy activities, an increase of \$2.0 million over the 2012 level. The total BOEM request for 2013 provides \$62.9 million for environmental assessments. This includes a \$700,000 program increase to support necessary baseline environmental characterization and monitoring activities in the Gulf of Mexico following the Deepwater Horizon incident. These studies will provide critical data regarding physical oceanography, deep sea ecology, social science, and the assessment of coral and chemosynthetic communities to support decisionmaking related to leasing programs and permitting activities.

The 2013 budget for environmental assessment supports BOEM's increased workload across scientific disciplines for both conventional and renewable energy development. In 2011, the Department established a Scientific Integrity Policy to ensure and

maintain the integrity of scientific activities used in decisionmaking. The BOEM has fully adopted this policy and is committed to securing independent, peer-reviewed environmental research, which is critical during every stage of lease sale and permit review processes.

DEPARTMENT OF THE INTERIOR OFFSHORE OIL AND GAS DEVELOPMENT

In calendar year 2010, Interior offered 37 million offshore acres in the Gulf of Mexico for oil and gas exploration and production. In 2011, more than 21 million offshore acres were offered. The Central Gulf of Mexico lease sale, including lease sales 216 and 222, will occur in June 2012.

At the end of 2011, 35 million acres of the OCS were under active lease, of which 6.2 million acres were producing.

The proposed OCS Oil and Gas Leasing Five-Year Program for 2012-2017 would make more than 75 percent of undiscovered technically recoverable oil and gas resources estimated in Federal offshore areas available for exploration and development.

Bureau of Safety and Environmental Enforcement – The 2013 BSEE budget includes \$222.2 million for conventional energy activities, an increase of \$24.8 million over the 2012 level. The request advances reforms initiated following the Deepwater Horizon oil spill to increase the safety and environmental responsibility of offshore oil and gas development. The request increases program funding for operational safety by \$4.5 million. This will support efforts identified as critical to the success of BSEE to strengthen regulatory and oversight capability in the aftermath of the 2010 oil spill. This funding will increase the capacity in existing offices in multiple disciplines to adequately staff Regulatory Programs, Safety Management, Structural and Technical Support, and the Oil Spill Response Division.

The Environmental Enforcement Division was established in 2012 to foster environmental compliance, inspection, investigation, and enforcement programs that will assure the highest level of environmental

standards for all offshore energy activities. In 2013, the development of this important function will benefit from a program increase of \$4.2 million that will be used to hire, train, equip, and support personnel to conduct environmental inspections, Safety and Environmental Management System audits, and investigations; take enforcement actions; and evaluate the effectiveness of environmental mitigation measures.



The Deepwater Horizon incident revealed the risks associated with drilling high-pressure wells in deep water and the importance of well design to ensure the safety of offshore operations. The 2013 request includes a program increase of \$1.4 million to research requirements for well structure integrity. This will ensure tests can be conducted for well design, cementing programs, and well structure to identify weaknesses in well integrity and allow remediation to occur. This increase will be complemented by a program increase of \$2.0 million used to research offshore safety systems and operations. As the industry pushes into deeper water and drills more high-pressure/high-temperature wells, BSEE's safety

and enforcement protocols must be kept up-to-date. The BSEE will use this increase to keep pace with industry's advancement and ensure the integrity of state-of-the-art equipment and operations. These increases are partially offset by a \$3.0 million increase in estimated inspection fee collections.

A program increase of \$2.3 million will launch BSEE's e-Inspection program. Using a multi-faceted approach, BSEE will support development of a modern electronic system for conducting offshore inspections to replace the outdated paper-based inspection process. This funding will advance more timely and accurate collection of inspection data, enhance the tools available to inspectors while conducting inspections, and reduce data processing costs associated with transferring inspection data from paper forms to BSEE's database.

Inspection activities also will benefit from a program increase of \$3.7 million to support the new National Offshore Training and Learning Center. This increase will provide contemporary learning and development opportunities to BSEE's inspectors and engineers. Courses are designed to enhance safety and environmental stewardship by using the best science and technology to evaluate, protect, and preserve the human, marine, and coastal environments.

The reorganization of the former Minerals Management Service has separated the conflicting missions and strengthened oversight of offshore energy development. The request includes a program increase of \$5.0 million to sustain the necessary level of support services for the new safety regulator as operations expand. The funding will be used to support recruitment and retention of new inspectors, engineers, and scientists and conduct additional environmental and technological studies.

Office of Natural Resources Revenue—The Interior Department seeks to ensure the full and fair return of royalties and other monies owed to the American people from the production of energy and mineral resources both onshore and on the OCS. This includes ensuring that revenue due to the public is received, accounted for, and appropriately distributed. The means of collecting royalties, rents, and other revenues must be transparent and robust.

The request for ONRR in 2013 includes \$119.6 million, essentially the 2012 level, to collect, distribute, account for, and audit revenues from energy leases on the OCS and Federal and Indian lands. The request

STATUS OF OCS PERMITTING

The BSEE approved 1,381 of the 1,413 requests to extend deepwater Gulf and Alaskan offshore leases after the Deepwater Horizon oil spill, or 97.7 percent, received from companies. Thirty-two requests did not meet the extension criteria and were denied or withdrawn.

By late January 2012, BSEE approved 250 deepwater permits for 71 unique wells that require subsea containment, and 59 permits for deepwater activities not requiring subsea containment.

By late January 2012, 100 new shallow water well permits were issued.

includes a reduction of \$2.3 million for information management system initiatives for which development and implementation will be completed in 2012. The ONRR will complete efforts to develop technical capabilities to streamline and enhance production and natural gas plant accountability. The ONRR will also complete a two-year initiative to enhance capabilities and integration of compliance tools. Both system upgrades directly address recommendations from the Government Accountability Office and the Department's Inspector General.

The request supports the completion of the transition of royalty-in-kind activities to royalty-in-value. A program increase of \$1.2 million will replace the use of receipts from RIK sales that were previously used for the administration of the program. In 2013, the Administration proposes to expand the RIK reforms by repealing existing authorities for Interior to accept royalties-in-kind.

The request preserves funding for process and system enhancements that will increase the accuracy and assurance that all revenues from energy development due to the American people are collected. The ONRR will continue development of data mining capabilities that will identify erroneous reports

from energy producers and enhance auditing and collection abilities.

U.S. Geological Survey – The 2013 USGS budget request is \$12.2 million including a decrease of \$800,000 for conventional energy programs. The request includes an increase of \$13.0 million to support an interagency research and development effort with the Department of Energy and the Environmental Protection Agency aimed at understanding and minimizing potential environmental, health, and safety impacts of energy development through hydraulic fracturing. Hydraulic fracturing is a process that uses high pressure fluid to create fractures in rock layers to produce petroleum, natural gas, coal seam gas, or other substances. The energy from the injection of a highly-pressurized fluid creates new channels in the rock, which can increase the extraction rates and ultimate recovery of unconventional fossil fuels. The 2013 budget supports the science to understand and address potential impacts on water quality and quantity, ecosystems, induced seismicity or earthquakes, and support characterization of natural gas resources.

Fish and Wildlife Service – The 2013 FWS request includes a program increase of \$250,000 to complement renewable energy funding for law enforcement activities that help address the impact of energy development on wildlife and habitat. These efforts

ENSURING FULL AND FAIR RETURN TO THE AMERICAN TAXPAYER

In May 2011, Secretary Salazar initiated an evaluation of the potential for streamlining regulations governing the calculation of billions of dollars in royalties owed to the U.S. from oil and gas produced offshore and onshore from Federal lands. The evaluation focuses on determining where geographically based market prices may be used as the presumptive value of oil and gas produced in that region, thus removing, in those cases, the need to undertake a transaction-by-transaction, source documentation based evaluations of contract amounts as well as transportation and gas processing costs. These changes have the potential to improve compliance and reduce administrative costs for industry and the government, as well as to better ensure the American taxpayer is properly compensated for the use of the Nation's public resources. Interior will continue to assess this concept in 2012.



will help ensure that the development of oil, gas, and electricity transmission is consistent with wildlife and habitat conservation. Specific efforts will include educational outreach to energy developers and land management agencies, compliance assistance and monitoring, and investigative work to document violations of law in circumstances where known mitigation measures have not been adopted.

Indian Affairs – The Office of Indian Energy and Economic Development is working closely with numerous tribal nations to explore and develop conventional energy resources on Indian Trust lands. Together, the Office and Tribes are further defining, quantifying, and developing their energy resources for industrial scale energy production. These projects help spur job creation and economic activity on reservations by assisting Tribes to develop their energy and mineral resources. Energy and mineral development on Indian lands in 2010 had an estimated economic impact of over \$12.3 billion or 85 percent of Indian Country's trust resources. Further, this economic activity produced an estimated 120,000 jobs related to trust resources. In the last three years, the Office of Indian Energy and Economic Development has assisted Indian mineral owners in the negotiation of 48 leases for oil, gas, renewable energy, and aggregate materials development on approximately 2.8 million acres.

The 2013 budget request includes \$2.5 million for conventional energy and audit compliance, the same as the 2012 enacted level, to support leasing activities on the Fort Berthold Reservation. Until recently, the Three Affiliated Tribes of the Fort Ber-

thold Reservation had not leased any of their lands for oil and gas exploration for over 25 years. At the request of the Tribes, Indian Affairs staff have been evaluating the oil and gas potential for the Tribes. From 2005 to 2008, the Office of Indian Energy and Economic Development assisted the Tribes in the negotiation of lease agreements with oil and gas companies. These lease agreements have allowed the Tribes to share in the success of the oil and gas leasing boom in the Bakken Formation in the Williston Basin. Increased focus from Indian Affairs to approve leases in a timely fashion and a hands on approach to technical assistance helped to stimulate oil and gas development in the area.

In 2011, over 200 drilling permits and associated rights-of-ways were approved in the area. It is expected over 300 drilling permits and associated rights-of-ways permits will be approved in 2012. Drilling activity is expected to increase through 2013, with the development rate leveling off to 100 wells per year over the next five years. Approximately 1,000 wells are expected to be drilled to initially develop the Bakken Formation with an additional 1,000 wells drilled to complete full development of the Bakken and Three Forks Formations over the next ten to 20 years.

In order to provide better coordination and collaboration among interagency staff to respond to increased demand for oil and gas permits in certain regions, Indian Affairs is developing strike teams to provide technical staff to assist as demand increases. The teams include expert specialists in realty services and environmental compliance, as well as petroleum engineers. The first team created is already working on the Fort Berthold Reservation and has provided a solution to the increased workload. This concept will be used at other reservations where the Office of Indian Energy and Economic Development is seeing an increase in energy development activity.



Water Challenges



The WaterSMART program, launched in February 2010, is showing great promise in ensuring this and future generations have sufficient supplies of clean water for drinking, economic activities, recreation, and ecosystem health.

***Ken Salazar, Secretary of the Interior
February 13, 2012***

The Nation continues to face increasing water resource challenges. Aging water infrastructure, population growth, depletion of groundwater resources, impaired water quality, increasing demand for human and environmental uses, and climate variability and change all play a role in determining the amount of fresh water available at any given place and time.

Water shortage and water use conflicts have become more commonplace in many areas of the United States, even in normal water years. As competition for water resources grows, the need for information and tools to aid water resource managers also grows. Water issues and challenges are increasing across the Nation, but particularly in the West and Southeast due to prolonged drought. Drought and increasing demands for water are exacerbating the challenges facing water managers, and traditional approaches no longer meet today's needs. State governments and a complex array of laws and ownership govern water allocation and use, but the Federal government has a role to play in providing leadership on the path to sustainable water supplies and helping to provide the means to get there.

Adequate supplies of water are essential to people, the economy and the environment. The Administration places a priority upon ensuring clean and safe water supplies and restoring and protecting ecosystems. To do so, Federal agencies must work together with State and local governments, Tribes, industry, and the agriculture sector. These integrated efforts will lead to improved strategies and results that better protect this vital resource.

More than 50 percent of the people in the United States, including almost everyone who lives in rural areas, use ground water for drinking and other household uses. Ground water is also used in some way by about 75 percent of cities and by many factories. The largest use of ground water is to irrigate crops.

***U.S. Geological Survey
Open File Report 93-643
December 23, 2009***



WATERSMART SUSTAIN AND MANAGE AMERICA'S RESOURCES FOR TOMORROW



During 2011, the Department of the Interior built on the foundation established by Secretarial Order 3297, issued in February 2010, to launch a new water sustainability strategy, including identifying adaptive measures needed to address water issues related to a changing climate and future demands.

In November 2011, Interior's WaterSMART Task Force finalized the WaterSMART Strategic Implementation Plan, one of the key requirements of the Secretarial Order, documenting actions already begun and planned. The WaterSMART Strategic Implementation Plan is the Department's framework for the next five years to provide Federal leadership to move toward a sustainable water resources future. The Plan's 12 sections align with strategies that focus on improving water conservation and helping water and resource managers make wise decisions about water use. The Plan outlines the water challenges the Country faces and summarizes initial action taken through the WaterSMART program. The Plan also delineates responsibilities and activities to integrate and coordinate water sustainability efforts of the Department and its Federal, State, tribal, and private partners. The Plan frames Interior's WaterSMART strategy as follows:

- **Program Coordination** – Clearly identifies roles and responsibilities for the bureaus and offices in Interior that have a role in the WaterSMART initiative, providing a basis for the identification and protection of water resources, partnerships to promote conservation, and improved water management strategies.
- **The Energy/Water Nexus – Water Used in Energy Production and Energy Used in Water Supply** – Specific strategies identify how Interior bureaus and offices will work with partners and stakeholders to protect water supplies, promote

conservation and sustainability in the development of energy infrastructure, and improve water use efficiencies by identifying amounts of water used or impacted by various energy technologies.

- **Best Available Science** – This strategy outlines how the best available science will be used to improve understanding of impacts of climate change on water availability and timing in order to resolve conflicts and facilitate the conservation of both surface and groundwater.
- **Water Footprint Reduction Program** – Interior's stewardship responsibilities for 500 million acres and 48,000 facilities mandate that it adopts conservation and sustainability strategies. This strategy directs actions to Interior's land and facility managers who are engaged in the implementation of sustainability and conservation practices.
- **WaterSMART Clearinghouse** – An information clearinghouse helps to inform Federal, State, local, tribal, and other water managers. This strategy assigns specific tasks to improve the clearinghouse and use it to promote collaboration, research, and water data and information.
- **Promoting Sustainable Water Strategies** – The Plan identifies specific programs that can focus on achievable goals to promote sustainable water practices in implementing resource use activities.
- **Evaluation of Needed Information** – This strategy focuses on the identification of information gaps, the prioritization of data collection and research, and lays the groundwork for making information available in order to support sound decisionmaking.
- **Education and Awareness** – Coordination of outreach and education efforts is a key aspect of WaterSMART that aims to improve knowledge about water management strategies.
- **Collaboration with State and Local Governments, and Tribes** – Implementation of water management goals is greatly

improved through coordination and collaboration with others. The strategy identifies existing relationships and new partnerships with States and Tribes to collaborate on implementation of the WaterSMART strategy.

- Planning Efforts – This strategy identifies planning efforts that can be greatly improved by incorporation of WaterSMART strategies, thereby reducing conflicts in water management.
- Colorado River Basin Pilot – As a key area for coordinated strategies in water management, the Plan identifies the Colorado River Basin as an area to pilot the WaterSMART efforts to sustain and stretch water resources for people, the economy, and the environment.



PARTNERSHIPS IN THE COLORADO RIVER BASIN DEMONSTRATE NATIONAL PROMISE OF INTERIOR'S WATERSMART PROGRAM

On December 16, 2011, Assistant Secretary – Water and Science, Anne Castle, announced the release of a report on the effectiveness of the Department of the Interior's National WaterSMART Program as demonstrated by its work within the Colorado River Basin.

The Colorado River Basin has really served as a pilot project area to test and demonstrate the various tools available through WaterSMART to address water supply and demand imbalances around the Nation. The report demonstrates the diversity and significance of the activities undertaken by the Department in cooperation with the States, local governments, Tribes, and others to sustain Colorado River resources for people, the economy, and the environment.

**Anne Castle, Assistant Secretary – Water and Science
December 16, 2011**

The report highlights the provision of 15 WaterSMART grants by the Bureau of Reclamation to organizations in the Colorado River Basin to improve water and energy efficiency and to develop climate change analysis tools.

Interior has several scientific efforts underway in the Colorado River Basin focused on water, including the USGS Water Census, the newly formed Southwest Climate Science Center established by USGS at the University of Arizona, and Reclamation's ongoing Basin Supply and Demand Study. Through the latter study, Reclamation has partnered with the Colorado River Basin States to identify and analyze supply and demand imbalances within the Basin and to explore strategies for addressing such imbalances. An interim report was released in June 2011 and a final report is expected to be complete in July 2012.

Many important water rights settlement agreements have been signed and are being implemented in the Basin, resolving tribal water right claims and protecting State water supplies. Work is underway to fulfill settlement requirements including the construction of the Navajo-Gallup Pipeline Project and construction of the White Mountain Apache Tribe Rural Water System.

River restoration efforts through the Upper Colorado River and San Juan River Recovery Programs, and the Lower Colorado River Multi-Species Conservation Program are making significant strides to recover listed and native fish species and protect current and future water uses within the Colorado River Basin.

2013 Investments in WaterSMART – The 2013 budget focuses on key aspects of the WaterSMART implementation strategy including Bureau of Reclamation programs that fund partnerships in water management and U.S. Geological Survey programs to improve understanding of water resources.

In April 2011, Reclamation issued its “SECURE Water Act Section 9503 – Reclamation Climate Change and Water Report” pursuant to Section 9503 of the SECURE Water Act. The report analyzes the potential impacts of climate change on several major river systems, and includes an extensive section on the Colorado River Basin. The report features an assessment of climate change implications for snowpack and natural hydrology in the eight major Reclamation river basins. The 2013 budget funds investments in Reclamation programs that support the WaterSMART Implementation Plan in concert with the results of this report.

In October 2011, the Interior Department released a report, entitled “Strengthening the Scientific Understanding of Climate Change Impacts on Freshwater Resources of the United States,” fulfilling the requirements of Section 9506 of the SECURE Water Act. The report was prepared by a Federal interagency panel led by USGS and developed in concert with the Council on Environmental Quality, the National Oceanic and Atmospheric Administration, and the Office of Science and Technology Policy. The report underscores the importance of adequate water measuring and monitoring systems to track water availability and quality to assist water managers in decisionmaking about water allocations and infrastructure. The report also suggests ways to modernize data systems, management, modeling and water measurement tools and highlights the need to coordinate data among agencies. The report recommends enhancing the National Streamflow Information Program and the National Water Quality

Monitoring Network and establishing the National Groundwater Monitoring Network.

Additionally, other Interior bureaus, while not participating directly in the WaterSMART program, do support the WaterSMART implementation strategy in many critical ways through their ongoing programs for land and resource management. Some examples include:

- **Best Available Science Strategy** – The Fish and Wildlife Service’s national wildlife refuge system is implementing a system-wide inventory and assessment of water resources in conjunction with its inventory and monitoring program. The inventories will establish baselines for wildlife refuge water quantity and quality. The assessments will identify needs and threats to refuge system water resources, including threats from climate change. In addition, the assessments will provide information on the efficiency of water use on wildlife refuges. This information will also be important to Landscape Conservation Cooperatives for identifying vulnerabilities and assessing future impacts of climate change.
- **Promoting Sustainable Water Strategy** – Within the WaterSMART Availability and Use Assessment, the Bureau of Indian Affairs is coordinating with Tribes and USGS to identify where tribal water rights have not yet been adjudicated and basins in which considerable conflict exists between existing water uses and tribal trust or treaty resources.
- **Program Coordination Strategy** – The Bureau of Land Management, as part of its landscape approach to managing public lands, will conduct rapid eco-regional assessments to determine areas of regionally significant aquatic habitats.
- **Energy/Water Nexus Strategy** – The National Park Service is working with BLM on the Programmatic Environmental Impact Statement for Solar Energy Development, with a focus on water use and sustainability and protection of park resources that are dependent on water.



WATER CHALLENGES

(dollars in millions)

	2012	2013	Change
BUREAU OF RECLAMATION			
WaterSMART Grants	12.2	21.5	+9.3
Basin Studies	4.9	6.0	+1.1
Cooperative Watershed Management.....	0.3	0.3	0.0
Title XVI Projects	24.7	20.3	-4.4
Water Conservation Field Services.....	5.0	5.9	+0.8
Subtotal, Reclamation	47.1	53.9	+6.8
U.S. GEOLOGICAL SURVEY			
Fisheries: Aquatic and Endangered Resources	0.5	1.7	+1.3
Geographic Analysis and Monitoring.....	0.5	0.5	0.0
Contaminant Biology	0.0	1.0	+1.0
Toxic Substances Hydrology.....	0.0	2.5	+2.5
Groundwater Resources	2.7	5.2	+2.5
National Water Quality Assessment.....	0.0	3.5	+3.5
Hydrologic Networks and Analysis.....	4.3	4.8	+0.5
National Cooperative Geologic Mapping.....	0.0	1.0	+1.0
National Geospatial Program	0.0	0.8	+0.8
Subtotal, U.S. Geological Survey	8.0	21.0	+13.0
TOTAL, WATERSMART PROGRAM	55.1	74.9	+19.8

2013 BUDGET SUMMARY

Interior's 2013 budget request includes \$74.9 million for the WaterSMART program, including \$53.9 million for Reclamation and \$21.0 million for USGS.

Bureau of Reclamation – Reclamation is the largest supplier and manager of water in the 17 western States. It maintains 476 dams and 348 reservoirs with the capacity to store 245 million acre-feet of water. These facilities deliver water to one in every five western farms, including about ten million acres of irrigated land, and provide water to over 31 million people for municipal, rural, and industrial uses. Reclamation is also the Nation's second largest producer of hydroelectric power, generating 40 billion kilowatt hours of energy each year from 58 power plants. Hydropower is the Nation's primary source of renewable energy. Reclamation is improving operational efficiencies at existing hydropower generation facilities and looking into integration of hydropower production with other renewable resources. In addition, Reclamation's facilities provide substantial flood control, as well as many recreational and fish and wildlife habitat benefits. Reclamation has an important role to play in providing leadership and assistance to States, Tribes,



and local communities to address these competing demands for water.

The Department's 2013 budget request includes \$53.9 million for water sustainability efforts through Reclamation, an increase of \$6.8 million above the 2012 enacted level. In 2013, Reclamation will continue implementing the five WaterSMART programs: WaterSMART Grants, Basin Studies, Water Reclamation and Reuse programs, the Cooperative Watershed Management program, and the Water Conservation Field Services program.

PRIORITY GOAL

To track the progress made in implementing WaterSMART, the Department established a Priority Goal for water sustainability in 2010. The goal commits Interior to annual targets, including the following for 2013:

Enable capability to increase the available water supply in the western States through conservation-related programs to ensure adequate and safe water supplies.

By September 30, 2013, Interior will further enable the capability to increase the available water supply for agricultural, municipal, industrial, and environmental uses in the western United States through Reclamation water conservation programs to 730,000 acre-feet, cumulatively since 2009.

In 2011, Reclamation's conservation-related programs contributed over 230,000 acre-feet toward meeting Reclamation's Priority Goal for Water Conservation, or enough water for more than 900,000 people.

A number of 2011 WaterSMART grant projects address the connection between water and energy use. These projects not only achieve water savings, but can lead to significant increases in energy efficiency by decreasing pumping and reducing the amount of water imported across long distances.

In 2011, over 25 of the 58 new WaterSMART grant projects included energy savings in addition to water savings. Based on applicants' estimates, the annual energy savings expected to result from these projects is over 15,000,000 kilowatt hours, enough electricity for more than 1,300 households. For example, the Municipal Water District of Orange County expects an annual energy savings of 1,848,000 kWh from its project to facilitate the installation of residential and commercial irrigation meters, which is also expected to result in water savings of 560 acre-feet per year.

WaterSMART Grants – The 2013 budget request includes \$21.5 million for WaterSMART Grants, an increase of \$9.3 million over the 2012 enacted level. In 2013, Reclamation anticipates funding approximately 50 projects at a level of up to \$300,000 each. Reclamation will continue to award competitive cost-share grants that exceed the minimum 50 percent non-Federal cost-share requirement and include:

- Water and energy efficiency improvements that save water, increase the use of renewable energy in water management, include endangered species protections and other environmental benefits, and facilitate transfers to new uses. WaterSMART recognizes the connection between energy and water use and emphasizes the need to continue to develop sources of renewable energy.
- Pilot and demonstration projects that address the technical and economic viability of treating and using brackish groundwater, seawater, impaired waters, or otherwise creating new water supplies within a specific locale.
- System optimization reviews that assess the potential for water management improvements and identify specific ways to implement those improvements.
- Projects to develop tools to more efficiently manage water resources in a changing climate.

Reclamation generally funds new water conservation projects that can be completed within two years to encourage near-term impacts on water savings. Reclamation believes that water conservation, the



use of water markets, and improved efficiency are crucial elements of any plan to address western water issues. With leveraged water sustainability grants, the 2013 budget takes an important step by increasing conservation and advancing the efficient use of water in the West.

Basin Studies – The Department’s budget request includes \$6.0 million for Reclamation’s Basin Studies program, which funds Reclamation’s partnerships with State and local entities to initiate comprehensive water supply and demand studies in the West. The 2013 request is an increase of \$1.1 million from the 2012 enacted level. The Basin Studies program includes three activities:

- Conducting state-of-the-art projections of future water supply and demand on a basin-wide scale. These studies include an analysis of how the basins’ existing water and power operations and infrastructure will perform in the face of changing water supplies and needs, and recommendations on the optimization of operations and infrastructure to supply adequate water in the future. Basin Studies funding may also be used to fund one or more feasibility studies to assess previously identified adaptation strategies, as authorized by Section 9503 of the SECURE Water Act.
- West-Wide Assessments will continue to provide consistent projections of risks to water supplies and demands and impacts to Reclamation operations due to the potential impacts of climate change across the eight major Reclamation river basins identified within the SECURE Water Act. The West-Wide Assessments provide a constant source of information and baseline data across Reclamation projects to better adapt to risks and impacts from a changing environment and provide key information needed for more in-depth analysis.
- Continued participation in and support to the Desert and Southern Rockies Landscape Conservation Cooperatives. These LCCs are partnerships between Interior and other Federal agencies, States, Tribes, non-governmental organizations, and other stakeholders, to bring together science and sustainable resource conserva-

tion activities to develop science-based solutions to on-the-ground challenges from a changing environment within an ecological region or “landscape.” The LCCs leverage the resources and expertise of the partners and work across jurisdictional barriers to focus on natural resource issues specific to a particular ecosystem or landscape.

In 2013, Reclamation and its partners will initiate two or three comprehensive, two-year water supply and demand studies in the western U.S. and provide funding for basin studies on a competitive basis.

Cooperative Watershed Management – Through this program, the Department implements the Cooperative Watershed Management Act of 2008, Sections 6003-6006, providing financial assistance to establish and expand collaborative watershed groups and to fund watershed management projects, including restoration projects. In 2013, Reclamation will continue to oversee the process for selecting and awarding financial assistance for the establishment of watershed groups and the funding of watershed management projects. Funding of \$250,000 will be used to expand implementation of the program. Watershed management projects eligible for program funding include those that enhance water conservation, improve water quality and ecological resilience, reduce water conflicts, and advance other goals related to water quality and quantity.



Title XVI – The Department’s budget request includes \$20.3 million for the Title XVI Water Reclamation and Reuse program, a major component of the WaterSMART strategy. The 2013 level for Title XVI is a \$4.4 million decrease from the 2012 enacted level. Title XVI projects will identify and investigate opportunities to reclaim and reuse wastewater and naturally impaired ground and surface water in the

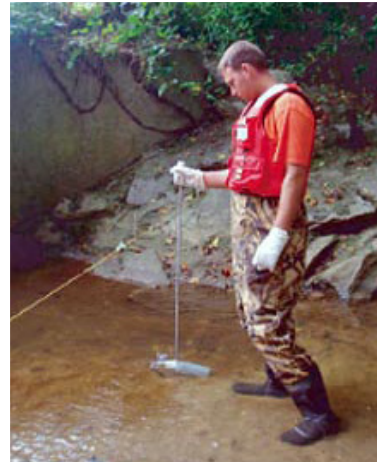
17 western States and Hawaii. Title XVI provides authority for project sponsors to receive Federal funding on a cost-shared basis for planning, design, construction, and pre-construction activities. These include feasibility studies and financial capability preparation or environmental compliance, as well as construction of specific water recycling projects. Only congressionally authorized Title XVI projects are eligible to receive funding.

Title XVI projects have the potential to stretch water supplies using time-tested methodologies and piloting new concepts. By making use of recycled and reused water, these projects also yield significant investments, creating long-term water supplies for communities and avoiding the need to develop new supplies. Federal investments in Title XVI projects, including all projects funded since 1992, made available an estimated 260,000 acre-feet of water in 2011. The 2013 budget includes funding for five ongoing Title XVI projects and includes \$16.6 million for distribution, on a competitive basis, to those authorized projects that best reduce existing diversions; address specific water supply issues in a cost-effective manner; resolve and address environmental and water quality concerns; and meet other program goals.

Water Conservation Field Services – The 2013 budget request includes \$5.9 million to provide small scale, cost-shared financial assistance at the local level for water conservation planning activities, on-the-ground efficiency improvements, demonstration projects, education, and training. Applicants must compete for funding that is capped at \$100,000 per project. The 2013 budget is \$839,000 above the 2012 level, which will add about eight new projects.

U.S. Geological Survey – The USGS provides a broad range of expertise in geography, geology, hydrology, biology, and data integration that is used by other Federal agencies, Tribes, States, local communities, and others. The USGS data and analyses of water quality and quantity help resource managers develop, regulate, and monitor management practices to ensure the continued availability of water resources for human consumption, agriculture, industry, recreation, and ecosystems.

The need to quantify and forecast fresh water sources in order to protect and secure these sources to meet human, environmental, and wildlife demands now and into the future has been well established. The need was recognized by Congress when it established a National Water Availability and Use



Assessment program through passage of the Omnibus Public Land Management Act of 2009. The last assessment of the availability and use of water resources in the United States was completed in 1978 – over 30 years ago. Support for this program is vital to collecting new and continuing assessment data of the Nation's water resources to ensure future water supplies.

The 2013 budget request includes \$21.0 million for the USGS WaterSMART Availability and Use Assessment program. This is a \$13.0 million increase from the 2012 enacted level. An interdisciplinary science approach will be used to implement this assessment, and will include:

Estimating Water Budget Indicators – The USGS is developing a system to enable water managers and the public to access and use information in water availability analyses. The USGS will make available databases containing key hydrologic information including precipitation; water in snowpack, ice fields and large lakes; evapotranspiration; stream and river run-off characteristics; total water withdrawals by source; stream and river baseflow characteristics; interbasin transfers; groundwater level indices; consumptive uses; rates of groundwater recharge; changes in groundwater storage; and return flows. Access to this information will facilitate the ability of water managers to develop water allocation protocols and anticipate water needs.

Ecologic Water Science – The USGS will advance the understanding of water availability needs for wildlife and habitat by classifying the streams across the Nation based on their hydro-ecological type; systematically examining the ecological response to hydrologic alteration; and developing flow alteration – ecological response relationships

for each type of river or stream. Efforts in 2011 and 2012 have concentrated on the classification system for streams and supporting ecological water needs work in the geographic focus areas—Colorado River Basin, Delaware River Basin, and Apalachicola-Chattahoochee-Flint River Basin. In 2013, USGS will complete the classification system and develop a means to efficiently access biological databases to allow for the systematic analysis of ecological responses to hydrologic alteration.

Glacial Groundwater Studies and Regional Groundwater Indices – Currently, the Ground Water Resources Program is conducting large-scale multidisciplinary regional studies of groundwater availability. The purpose of these studies is to quantify current groundwater resources, evaluate how those resources have changed over time, and provide tools to forecast system responses to stresses from future human and environmental uses. The USGS WaterSMART effort will rely on the results derived from these regional groundwater availability studies as part of a comprehensive national water availability assessment. The GWRP will expand its efforts to document the effects of human activities and climate variability and change on groundwater levels, depletions, storage, and interactions with surface water resources. In 2013, the GWRP will continue a study of the glacial aquifer system in the northeastern and north central States begun in 2012. The GWRP will also investigate means of better estimating recharge and interactions between groundwater and surface water in areas not currently part of a regional aquifer study.

Water Quality Enhancement – The overall objective of this WaterSMART component is to produce a national synthesis of knowledge on the degree to which water quantity and quality combine to influence water resource availability for both human and ecosystem uses. Specific to water quality and quantity, it will focus on understanding the natural and human-induced variability in the linkage; developing fundamental ways of assessing the degree to which they combine to influence water availability for human uses and ecosystem services; and improving the understanding of the cause and effect linkages between water quantity and quality. This involves the integration of water quality and quantity information and relating it to the human and ecological needs for the water.

Geographic Area Focus Studies – In 2013, USGS will continue geographically focused studies of water availability and use in the Colorado River Basin

States of Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming; the Delaware River Basin States of Delaware, New Jersey, New York, and Pennsylvania; and the Apalachicola-Chattahoochee-Flint River Basins in the States of Alabama, Florida, and Georgia. The USGS will work with watershed stakeholders and the various agencies involved in these areas to plan and conduct these studies.



National Groundwater Monitoring Network – The SECURE Water Act Section 9507(b) authorizes the National Groundwater Monitoring Network, a systematic groundwater monitoring program for each major aquifer system located in the United States. In 2013, USGS will begin implementation of the Network as conceptualized by the Advisory Committee on Water Information, Subcommittee on Ground Water in its 2009 report *A National Framework for Ground Water Monitoring in the United States*. With these additional funds, USGS will:

- Provide day-to-day management of the Network as well as provide guidance to data providers.
- Transition from the pilot-scale Network data portal to a production-scale portal.
- Use the hydrologic understanding and modeling tools currently available and being developed for selected major aquifers, as part of the Groundwater Resources Program groundwater availability studies, to identify monitoring locations to enhance the national network.

- In consultation with State and local agencies, incorporate groundwater-level and groundwater-quality data from selected wells and springs into the Network.
- Incorporate qualified wells and springs from State and local agencies, giving priority to those wells and springs for which a State or local governmental entity agrees to provide for a substantial share of the cost of establishing or operating the monitoring well or spring.
- Establish a National Program Board composed of Network data providers.
- Begin expansion of the groundwater climate response network to improve the understanding of the effects of global climate change on groundwater recharge and availability.

The proposed Network will bring comparable monitoring data together from disparate sources in order to close spatial data gaps and evaluate national-scale groundwater levels, quality, and rates of change.

Information Management – Managing the various data streams and integrating this information into a cohesive picture is a major effort under WaterSMART. The USGS is currently developing a system to manage the data for estimating stream flows at stations that do not have streamgages and make this data available to the public. Efforts in 2013 and in the future will concentrate on storing, integrating and providing all of the information about water budget components within a defined watershed.



RESOLVING LAND AND WATER CLAIMS

Water is the lifeblood of our communities, and I'm pleased that we can now begin a new chapter on water in this region – one marked by certainty, restoration, and economic activity.

David Hayes
Deputy Secretary of the Interior
November 29, 2011

In 2011, the Department moved forward to implement four Indian water rights settlements, signed into law in December 2010, as part of the Claims

WHITE MOUNTAIN APACHE TRIBE SETTLEMENT

On October 11, 2011, \$11.8 million was awarded to the White Mountain Apache Tribal Government to greatly expand the existing water delivery system and meet critical needs of the reservation. An agreement between the Department of the Interior, the Bureau of Reclamation, and the Tribe funds planning and design activities for the Miner Flat Project on the Tribe's reservation in Arizona. The project includes construction of a concrete dam, pumping plants, a water treatment plant, and water distribution pipelines on the White River in southeastern Navajo County, Arizona. The project is expected to create over 120 jobs.

This funding agreement is an important step toward developing a dependable, long-term water supply for the White Mountain Apache Tribe who, for too long, has had to depend upon shallow, unreliable wells. Advancing Indian water rights settlements like this one is a critical piece of President Obama's efforts to empower tribal governments and help them build stronger and more prosperous communities.

Ken Salazar
Secretary of the Interior
October 11, 2011

CROW TRIBE SETTLEMENT



The Bureau of Reclamation's Great Plains Region and the Crow Tribe signed the Crow Irrigation Project Rehabilitation and Improvement Contract on September 13, 2011. With the signing more than \$74 million in settlement funds was released as part of the Crow Tribe Water Rights Settlement.

These funds will create vital jobs and improve the Crow Irrigation Project. I am proud that Reclamation was able to facilitate the execution of this contract which will ultimately bring more than \$131 million to the Crow Nation to rehabilitate critical infrastructure and support the development of local energy resources.

Michael J. Ryan, Director
Reclamation's Great Plains Region
September 13, 2011

Construction of the irrigation project began in the fall of 2011. It will rehabilitate and improve the Crow Irrigation Project, which began construction in 1885. The water rights settlement also provides for the planning, design, and construction of a modern and robust municipal, rural, and industrial water system and gives the Tribe exclusive rights to develop hydropower at the Yellowtail Afterbay Dam. These projects offer significant opportunities for the Tribe to improve quality of life on tribal lands and to generate economic benefits for the Nation and its members.

Resolution Act of 2010. The four settlements provide permanent water supplies and offer economic security for the Taos Pueblo of New Mexico; the Pueblos of Pojoaque, Tesuque, San Ildefonso, and the Nambé involved in the Aamodt settlement in New Mexico; the Crow Tribe in Montana; and the White Mountain Apache Tribe in Arizona. Together, these settlements will provide funding to complete and improve reservation water systems, rehabilitate irrigation projects, construct a regional water system, and will codify water sharing arrangements with neighboring communities.

The Claims Resolution Act authorizes the establishment of trust funds for each of the Tribes to manage the development of these projects. Reclamation has primary responsibility for constructing the water systems, while the Bureau of Indian Affairs is responsible for funding the trust funds.

The 2013 budget request for Indian land and water claim settlements in these two bureaus totals \$82.8 million, including \$36.3 million in BIA's budget and \$46.5 million in Reclamation's budget.

Bureau of Reclamation – In 2013, Reclamation's budget includes \$21.5 million for projects that are part of the Claims Resolution Act settlements, including \$2.5 million for the White Mountain Apache Settlement; \$10.0 million for the Crow Settlement; \$4.0 million for the Taos Pueblo Settlement; and \$5.0 million for the Aamodt Settlement.

The 2013 budget proposes establishment of a separate Indian Water Rights Settlements account within Reclamation to highlight and enhance transparency in managing and budgeting settlement funds. This proposal would establish an account that parallels the BIA settlement account. The account will include the four settlements discussed above, as well as



\$25.0 million for the Navajo-Gallup Water Supply project authorized in 2009. The Navajo-Gallup project will provide reliable and sustainable municipal, industrial, and domestic water supplies from the San Juan River to 43 Chapters of the Navajo Nation including the Window Rock, Arizona area; the city of Gallup, New Mexico; the Navajo Agricultural Products Industry; and the southwestern portion of the Jicarilla Apache Nation Reservation in New Mexico.

Bureau of Indian Affairs – In 2011, the Claims Resolution Settlement Act provided \$207.2 million in mandatory funding, composed of \$50.0 million for the White Mountain Apache Settlement; \$81.8 million for the Crow Settlement; \$50.0 million for the Taos Pueblo Settlement; and \$25.4 million for the Aamodt Settlement.

The 2013 budget includes \$36.3 million for the BIA Land and Water Claim Settlements account, which will fund ongoing settlements including:

- *Nez Perce/Snake River Water Rights Settlement* – The budget includes \$9.5 million for the seventh and final payment for the Nez Perce/Snake River Water Rights Settlement. This Settlement authorizes the Department to provide the Nez Perce Tribe and the State of Idaho a total of \$170.9 million to be funded over seven years. The \$95.8 million BIA portion of the Settlement funds water supply, habitat restoration, and other purposes.
- *Shoshone-Paiute Tribes of the Duck Valley Reservation Settlement* – The Omnibus Public Land Management Act of 2009 authorizes \$60.0 million over five years for the Shoshone-Paiute Tribes of the Duck Valley Reservation Water Settlement. The budget includes \$12.0 million, the fourth of five payments to satisfy this requirement.
- *Navajo Nation Water Resources Development Trust Fund* – The Omnibus Public Land Management Act of 2009 authorizes \$50.0 million over ten years for the Navajo Nation Water Resources Development Trust Fund. The BIA budget includes \$6.0 million, the fourth payment to satisfy this requirement.

- *Navajo-Gallup Water Supply Project* – The budget includes \$7.8 million, an increase of \$3.4 million, for San Juan Conjunctive Use Wells and San Juan River Navajo Irrigation Project Rehabilitation, which are part of the Navajo-Gallup Settlement.
- The budget request also includes \$1.0 million for other smaller Indian land and water settlements.

REGIONAL WATER ISSUES

The Department is engaged in water resource and supply activities across the West in areas such as the Klamath region, the Colorado River, and in California's Bay-Delta.



Klamath Basin – Two agreements designed to restore the Klamath River Basin while also sustaining the communities that rely on the resources of the Basin were approved and executed by a broad cross section of stakeholders in February of 2010. The Klamath Hydroelectric Settlement Agreement, to which the Interior Department is a party, is an agreement to study the potential removal of four privately owned dams on the Klamath River. Under this Agreement, congressional action is needed before the Secretary may make a determination whether, based on the studies, removal is in the public interest. The Klamath Basin Restoration Agreement, which the Department has not executed, restores the natural resources of the Basin while also seeking to provide as much certainty as possible for water supplies to be used by the irrigation community. Although the Department is not yet a party to the Agreement since authorization is pending in Congress, there are a number of restoration/water supply enhancement actions called for under the Klamath Basin Restoration Agreement that are authorized under existing law.

The 2013 budget request includes \$7.1 million for Reclamation to begin implementation of actions that address water supply enhancement and restoration of natural resources that support the Klamath Basin Restoration Agreement. The budget includes \$7.0 million to fund acquisition of former reservation lands that will support economic and cultural activities which make settlement possible. The Fish and Wildlife Service budget includes \$1.6 million that will be leveraged with funding from other sources to support projects listed in both the Klamath Basin Restoration Agreement and the Klamath Hydroelectric Settlement Agreement. Projects will include fish related monitoring and modeling – such as fish population, water temperature, hydrology, water quality, fish disease, stock assessments, fish and watershed habitat planning and assessments; fish and watershed habitat planning and restoration projects; and projects to improve instream flows for fish. The USGS budget includes \$901,000 for science activities to understand the relationship between water quality and availability and fish habitat and survival.

Colorado River – The Colorado River and its tributaries provide municipal and industrial water and recreation opportunities to approximately 27 million people and irrigation water to nearly four million acres of land in the Basin States of Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming. The River also serves approximately 2.3 million people and 500,000 acres of land in Mexico.

As highlighted earlier in this chapter, on December 16, 2011, Assistant Secretary – Water and Science, Anne Castle, announced the release of a report on the effectiveness of the Department of the Interior’s National WaterSMART program as demonstrated by its work within the Colorado River Basin. The report highlights Interior’s scientific efforts underway in the Colorado River Basin and the Bureau of Reclamation’s issuance of 15 grants to organizations in the Colorado River Basin to improve water and energy efficiency and to develop climate change analysis tools.

The Colorado River Basin Study began in January 2010 and is scheduled to be completed in July 2012. The Study will identify recommended adaptation strategies to address climate change and future water supply and demand imbalances within the Basin. On November 29, 2011, Reclamation announced the initiation of Phase Four of the study which will focus on options and strategies to meet supply and demand imbalances.



Reclamation and FWS are leading the Southern Rockies and Desert Landscape Conservation Cooperatives. These LCCs were created to address the landscape impacts of change on America’s water, land, and other natural and cultural resources. Additionally, river restoration efforts are being advanced through the Upper Colorado River and San Juan River Recovery Programs, and the Lower Colorado River Multi-Species Conservation program. These efforts are making significant strides in recovering listed and native fish species and protecting current and future water uses within the Colorado River Basin.

California Bay-Delta – The California Bay-Delta is the hub of the Nation’s largest water delivery system and one of the most important estuary ecosystems in the Nation. The Bay-Delta provides drinking water to 25 million people and sustains about \$400 billion of annual economic activity, including a \$28 billion agricultural industry and a robust set of recreational opportunities. It irrigates more than seven million acres of farmland on which 45 percent of the Nation’s fruits and vegetables are grown. Until recently, it



supported a thriving commercial and recreational fishing industry that contributed hundreds of millions of dollars annually to the California economy. It is home to 55 species of fish and 750 species of plants and wildlife.

Successfully developing a science based Bay-Delta Conservation Plan holds the promise of breaking from the unsustainable status quo and being a game changer for California... that is why the Obama administration is joining with Governor Brown and recommitting funding and technical assistance to support what could become the largest restoration project in history.

Ken Salazar, Secretary of the Interior
December 19, 2011

In December 2011, Secretary Salazar reaffirmed his strong support to move forward with the California Bay-Delta Conservation Plan and reinforced his commitment to achieve the dual goals of a healthy Bay-Delta ecosystem and a reliable water supply for California. The Conservation Plan is coordinated by six Federal agencies and calls for the restoration of tens of thousands of acres of marshes, wetlands, and habitat, and the construction of a new water conveyance system to move water from north of the California Bay-Delta to water users in the Central Valley and the southern part of the State.

The Plan is one part of a comprehensive commitment to address California water issues. It promotes water conservation and efficiency improvements throughout California, expedites and expands voluntary water transfers in the Central Valley, dedicates funding for immediate drought relief projects, and makes historic investments in modernizing California's water infrastructure.

Over the past three years, Interior has invested over \$600 million in major water projects in the region, including construction of the Delta-Mendota Canal/California Aqueduct Intertie to relieve conveyance limitations, allow for maintenance and repair activities, and provide the flexibility to respond to Central Valley Project and State Water Project emergency water operations. Also included are the Red Bluff Diversion Facility; Contra Costa fish screens; a large number of water reuse and water conservation projects; and seismic safety improvements at Folsom Dam. The 2013 budget for Reclamation includes \$110.8 million for California Bay-Delta, a decrease of \$63.3 million from the 2012 enacted level. The decrease is primarily due to the completion of the Red Bluff Diversion Dam Fish Passage Project and limitations on the use of mandatory funding for San Joaquin River Restoration Program because of a congressionally mandated spending cap.

Reclamation is proposing \$36.0 million in the 2013 budget for its California Bay-Delta Restoration account, \$3.7 million below the 2012 enacted level. The funds will support implementation of the Bay-Delta Conservation Plan as modified by the Interim Federal Plan. This account focuses on the health of the Bay-Delta ecosystem and improving water management and supplies.

San Joaquin River Restoration – Beginning in late 2009, the Department reinstated flows in a 330-mile stretch of California's San Joaquin River, much of which had been dry for over 60 years. The 2013 budget supports the settlement of *Natural Resources Defense Council v. Rodgers*. The Settlement includes a provision to establish the San Joaquin River Restoration Fund to implement the two primary goals of the Settlement, which are to restore and maintain fish populations and to restore and avoid adverse water impacts. Reclamation is proposing \$12.0 million in discretionary funding in 2013 for this effort.

RECLAMATION YUMA DESALTING PLANT

Concluding ahead of schedule and under budget, Reclamation's Lower Colorado River Region successfully completed the pilot run of the Yuma Desalting Plant in March 2011. The previously idled desalination plant demonstrated the potential to augment Lower Colorado River water supplies.



The year-long operation of the Plant was conducted in collaboration with The Metropolitan Water District of Southern California, Central Arizona Water Conservation District, and Southern Nevada Water Authority. In return for co-funding, the agencies received water credits in proportion to the water produced during the pilot run and in proportion with their funding contributions.

During the pilot run, the plant operated effectively and efficiently with no substantial equipment problems or accidents. The pilot run produced the amount of water used by about 116,000 people

in a year. The run demonstrated innovative ways to increase water supplies for the region and other Colorado River water users, providing options for the Lower Colorado River Basin, which is in the midst of an eleven-year drought.

Throughout the operation, the YDP performed above expectations. The YDP recycled about 30,000 acre-feet of irrigation return flow water which was included in Colorado River water deliveries to Mexico.... This resulted in the same amount of water conserved in Lake Mead and available to the sponsoring water agencies when needed in the future.

Lorri Gray-Lee, Director, Reclamation's Lower Colorado Region
March 31, 2011

We are hopeful that Reclamation, in cooperation with interested water users and stakeholders, will use the cost and performance data gathered, along with the research and environmental monitoring information, to prepare plans for the long-term operation of the plant...as demonstrated by the pilot operations, water recycling and conservation are important tools to stretch our precious Colorado River water supplies.

David Modeer, General Manager, Central Arizona Water Conservation District
March 31, 2011

Beyond what we've learned about the Yuma Desalting Plant, the pilot run also demonstrated how the Federal government, water users, environmental groups, and our neighbors to the south in Mexico can find common ground and collectively craft solutions.

Patricia Mulroy, General Manager, Southern Nevada Water Authority
March 31, 2011

The pilot run was part of an international agreement between the U.S. and Mexican governments as well as environmental groups on both sides of the border. In addition to the pilot run, the pact calls for actions to monitor the Cienega de Santa Clara, a wetland in Mexico maintained by agricultural drainage.



Strengthening Tribal Nations

Today is about continuing a meaningful Nation-to-Nation dialogue that furthers the march of progress happening in Indian Country.

*Ken Salazar, Secretary of the Interior
December 2, 2011*

The Strengthening Tribal Nations initiative is a comprehensive multi-year effort to advance the President's commitments to American Indians and Alaska Natives to improve conditions throughout Indian Country. Informed by consultation with the Tribes and reflective of tribal priorities, Interior's 2013 budget continues the initiative with a focus on improving self-determination for Tribal Nations, the safety of Indian communities, trust resource management, and post-secondary Indian education.

The 2013 budget request for Indian Affairs is \$2.5 billion, \$4.6 million below the 2012 enacted level. Included within this amount are increases for fixed costs and key programmatic priorities that are offset by reductions reflecting a commitment to improved operations and efficiency savings.

There is a programmatic increase of \$43.8 million in the budget request for the Strengthening Tribal Nations initiative including:

- Contract support to strengthen Nation-to-Nation relationships.
- Public safety programs to apply lessons learned from successful law enforcement pilot programs.
- Rights protection and natural resource programs to improve land and resource management.
- Increased funds for tribal colleges and universities due to increasing enrollment.

INDIAN AFFAIRS

(dollars in millions)

TOTAL INDIAN AFFAIRS FUNDING

2012	2,531.3
2013	2,526.6
Change	-4.6

CHANGES

Strengthening Tribal Nations	+43.8
Advance Nation-to-Nation Relationships	+12.3
Protect Indian Country	+11.0
Improve Trust Land Management	+15.4
Advance Indian Education	+5.2

Achieving Better Results at Lower Costs ...	-65.3
Consolidations	-19.7
Administrative Savings	-13.8
Transfer of Indian Arts and Crafts Board	+1.3
Program Reductions	-33.1

Fixed Costs/Transfers	+16.8
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ADVANCING NATION-TO-NATION RELATIONSHIPS

It's impossible not to be optimistic about the future of Indian Country. Obviously, we face tough times. But you still believe that tomorrow can be better than today. You're out there making your communities better places to live. What you expect – and what you deserve – is a Federal government that helps, not hinders, your efforts. You deserve leaders in Washington who fight for you every single day.

President Barack Obama
December 2, 2011



In December 2011, President Obama hosted the third White House Tribal Nations Conference at the Department of the Interior. The President and key cabinet officials met with representatives of 565 federally recognized Tribes to discuss a wide range of issues. Topics at the conference included:

- Creating Jobs and Growing Tribal Economies.
- Promoting Safe and Strong Tribal Communities.
- Protecting Natural Resources and Respect for Cultural Rights.

- Improving Access to Healthcare, Education, Housing, Infrastructure, and Other Federal Services.
- Strengthening the Government-to-Government Relationship.

The White House Tribal Nations Conferences have led to many successful achievements including the launch of a formal consultation process in December 2011 by Secretary Salazar. The process is governed by a new consultation policy created through cooperative work with tribal representatives implementing the President's direction in a November 2009 Executive Order requiring all Federal agencies to commit themselves to regular and meaningful consultation. Interior has a long history of consultation with Tribes, but this new policy establishes requirements and guidelines that apply to all Interior officials and managers to promulgate best practices and achieve effective consultation with Tribes.



The Department conducts extensive consultation with Indian Tribes in order to gain insight into the alignment of the budget with tribal priorities. The 2013 budget reflects those priorities.

Contract Support – The 2013 request for Contract Support is \$228.0 million, an increase of \$8.8 million above the 2012 enacted level, and the estimated full need based on the most recent analysis. The Tribes, through the 2013 budget discussions with the Tribal Interior Budget Council, identified funding for contract support as their top priority. This funding is a key factor in the decisions made by Tribes to assume responsibilities for operating a broad array of Federal programs. Increased funding for tribal contract support will reduce the need for Tribes to use program funds or their own funds to fulfill

administrative requirements. Adequate funding for contract support ensures Tribes have sufficient resources to oversee program implementation and allows Tribes to deliver services more effectively. The budget also includes funding for the Indian Self-Determination Fund to pay start-up and initial contract support costs, the primary barrier for Tribes that want to assume responsibility for operation of programs through contracts and compacts.

PROTECTING INDIAN COUNTRY

We know that safer Indian communities mean stronger Indian communities.

*Ken Salazar, Secretary of the Interior
December 2, 2011*

Improving public safety and promoting safer Indian communities is a top priority for the President and tribal leaders. The 2013 budget includes increased resources to build on recent successes achieved through targeted efforts to reduce crime in Indian Country. The Department's successes at four reservations are captured in the President's Priority Goal.

The goal was established in 2009 and set expectations for 2010 and 2011 to achieve a significant reduction in violent criminal offenses of at least five percent within 24 months on four targeted tribal reservations—Mescalero Apache in New Mexico, Rocky Boys in Montana, Standing Rock in North Dakota, and Wind River in Wyoming. The BIA strategy included community policing, tactical deployment, and critical interagency and intergovernmental partnerships. Significant law enforcement staff and resources were deployed in these four communities, including more officers on the street, training of tribal law enforcement officers, modern equipment, afterschool and community engagement programs, and extensive monitoring to understand the source of crime and the successful program strategies. Through an adaptive management approach, law enforcement and community policing strategies were reevaluated for effectiveness and modified to reduce crime. Measurements of specific crime trends and sharing of best practices through community partnerships and with other law enforcement entities were used to gauge progress and strengthen the initiative.

At the end of the 24-month goal period on September 30, 2011, the BIA Office of Justice Service recorded an average 35 percent decrease in violent crime

OPERATION ALLIANCE

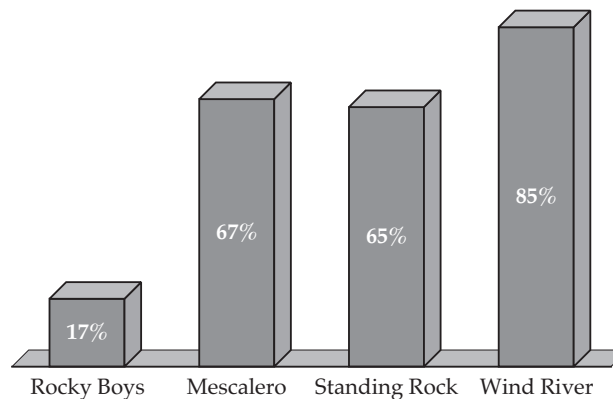


In 2010, the National Park Service, Fish and Wildlife Service, and Bureau of Land Management sent law enforcement officers to the Wind River, Rocky Boys, Standing Rock, and Mescalero reservations to support the BIA law enforcement initiative to reduce crime. In particular, NPS began deploying officers to Standing Rock in North Dakota and saw how the deployed officers became a presence in the community. Officers not only helped with community policing but became mentors through at-risk youth programs, reading programs, physical education programs, and other after school activities. After their detail, the deployed officers started a coat and cold weather gear drive for the Standing Rock community; hundreds of coats, gloves, and other cold weather apparel were shipped to the reservation in response to the donation drive.

across the four reservations. These efforts were the result of concerted and coordinated efforts by BIA resources in law enforcement, corrections, and courts working closely with tribal leadership and with community engagement.

Specifically, the initiative resulted in a 68 percent decrease in violent crime at Mescalero, a 40 percent reduction in violent crime at Rocky Boys, and a 27 percent reduction in violent crime at Standing Rock. At Wind River there was a seven percent increase in violent crime over the two year period. Even though comparable strategies were deployed at this site, the expected reductions in crime were delayed. This is attributable to multiple factors, including increased reporting of crimes – in the other com-

PERCENT CHANGE IN LAW ENFORCEMENT STAFFING 2009 TO 2011



munities that are part of this initiative, there was an initial increase in reported crimes caused by the increased law enforcement presence before the crime rate began to decline. Other factors are at work as well, including the need for community outreach and communications to increase the public's trust for

LAW ENFORCEMENT AWARD



In 2011, BIA, Department of Justice, and tribal law enforcement personnel were honored by the U.S. Attorney General "for their collaborative work on the Wind River Indian Reservation. The team worked diligently to solve a violent murder on the reservation in April 2010. The team worked to apprehend and arrest two suspects who later pled guilty and were convicted in January 2011. The team was also honored with a National Native American Law Enforcement Association Strength Award for outstanding investigative work involving multiple law enforcement agencies.

BIA and law enforcement. Wind River's large land base provides challenges to effective deployment of law enforcement resources. These resources have to be spread over a larger geographic area, increasing response times and delaying immediate help.

Based on the demonstrated effectiveness of this initiative, BIA is expanding the program to two additional reservations beginning in 2012 and continuing through 2013. The two reservations are the San Carlos Apache Tribe in Arizona and the Rosebud Tribe in South Dakota. The law enforcement programs, including police services, corrections, and court services on each of these reservations are tribally run. The BIA allocated increased funds



within 2012 to these two locations to address staffing shortfalls, training, equipment, and other needs. At both locations, the Tribes are in the process of hiring police officers, creating strategies for effective community policing, and garnering collaboration from community members.

The BIA completed a community assessment at both locations and is working with the Tribes to conduct an initial analysis of crime data to identify current and historic crime trends, determine criminal relationships between suspects and locations, patterns, and possible points of origin for criminal activity. Once this is accomplished, the analysis will provide an accurate portrait of the base crime rate or "crime rate profile" for each location so the program can develop a crime reduction plan. Once developed, the plan will provide the necessary information for management personnel to quickly prioritize their law enforcement response, to begin reducing the crime rate at each location most effectively. The BIA will continue to support the efforts of all six programs with funding, technical assistance, monitoring, and feedback.

Law Enforcement Operations—The President's 2013 budget request builds on increases from previous years with a \$3.5 million program increase from 2012, for a total of \$189.7 million, for Criminal Investigations and Police Services. The BIA continues to improve upon an updated recruiting process for law enforcement officers, conducting nationwide recruitments that reach a broader audience, promoting hiring of veterans, and working collaboratively with Tribes to seek qualified employees for detention center staffing. For example, from 2009 to 2011 the sworn officer staff at Wind River Indian Reservation increased by 85 percent and at Standing Rock by 65 percent. The 2013 budget includes a program decrease of \$2.6 million for Law Enforcement Special Initiatives. The BIA will realign funding to priority needs within law enforcement operations and maintain high priority operations.

PRESCRIPTION DRUG TAKE-BACK DAY

Unattended or outdated prescription drugs are often found in home medicine cabinets and create a public health hazard because they are highly susceptible to diversion, misuse, and abuse. Two and one-half times more people currently abuse prescription drugs than the number of those using cocaine, heroin, hallucinogens, and inhalants combined, according to the recently released 2010 National Survey on Drug Use and Health. The same study shows a majority of abused prescription drugs are obtained from family and friends, including from the home medicine cabinet.

The Drug Enforcement Administration, partnering with national, State, local, and tribal law enforcement officials, and community coalition groups held a third National Prescription Drug Take-Back Day on Saturday, October 29, 2011. This one-day event made it convenient for the public to rid their homes of potentially dangerous prescription drugs. A total of 1,432 pounds of prescriptions were taken back in communities throughout Indian Country. At the two previous National Prescription Drug Take-Back Day events, communities nationwide turned in more than 309 tons of pills.

Detention Center Operations – The 2013 budget includes \$88.2 million for detention center operations at tribal and bureau operated facilities, a program increase of \$6.5 million. The funding will be used for staffing, training, and equipment to increase capacity. Sufficient capacity to hold and process detainees is necessary for law enforcement to help ensure communities can support efforts to combat crime in Indian Country. This increase will also be used to fund operations at newly constructed detention facilities opening in 2012 and 2013.



Tribal Courts – The Tribal Law and Order Act of 2010 addresses inequities in the ability of Tribes and tribal courts to support adequate crime control in Indian Country. The Act allows tribal courts to impose greater sentences and fines to individuals who commit crimes within tribal jurisdictions. The Act also gives tribal courts greater discretion

TRIBAL JUSTICE TRAINING

In 2011, the Office of Justice Services announced it had created a training program for tribal court judges, prosecutors, clerks, and administrators to improve tribal law enforcement in Indian Country. The training program was developed in coordination with the University of New Mexico School of Law's Institute of Public Law, the Southwest Indian Law Clinic, and the American Indian Law Center. The training expands the breadth of knowledge related to the Indian Civil Rights Act and the Tribal Law and Order Act of 2010. Prosecutors who complete the training will enhance their criminal and civil procedure skills and court administrators who complete training will improve their knowledge of record development, case management and budgeting.

when administering tribal justice and encourages the courts to hear more cases because sentencing will have a greater impact on violators. In support of the enhanced capabilities given to tribal courts in the Tribal Law and Order Act, the 2013 budget includes \$24.6 million, a program increase of \$1.0 million above the 2012 enacted level, for the Tribal Courts program. The 2013 funding will be used for judges, prosecutors, public defenders, court clerks, probation officers, juvenile officers, other court support staff, training and related operations, and administrative costs for tribal justice systems and Courts of Indian Offenses.

IMPROVING TRUST LAND MANAGEMENT

President Obama is committed to making government work better to fulfill our trust management duties, support tribal self-determination and empower American Indian and Alaska Natives to unlock the economic potential of Indian communities.

Ken Salazar, Secretary of the Interior
December 2, 2011

The BIA's trust programs assist Tribes in the management, development, and protection of Indian trust land and natural resources on 56 million surface acres and 57 million acres of subsurface mineral estates. These programs assist tribal landowners to optimize resource use, providing many benefits such as revenue, jobs, and the protection of cultural, spiritual, and traditional resources. The estimated economic impact of these activities is \$14.4 billion which supports over 136,000 jobs.



In November 2011, Secretary Salazar and Assistant Secretary Echo Hawk announced the reform of Federal surface leasing regulations for American Indian lands that will streamline the approval process for home ownership, expedite economic development, and jump start renewable energy development in Indian Country. The proposed rules create enforceable timelines for BIA to review leases including a 30-day limit for residential leases and a 60-day limit for commercial or industrial development. The BIA has conducted several consultation meetings on the rule and gathered over 2,300 comments from over 70 Tribes and Federal agencies and is working to publish the final rule in 2012.

The 2013 budget request includes a program increase of \$14.8 million for trust natural resources and trust real estate programs. Within this program increase, is an increase of \$800,000 to support greater BIA participation in Departmental Cooperative Landscape Conservation activities. The total funding for this program in 2013 is \$1.0 million.

Trust - Natural Resources Management – The primary function of the Trust - Natural Resources Management program is to assist Tribes in the management, development, and protection of Indian trust land and natural resource assets. The 2013 budget includes \$162.1 million, a program increase of \$7.8 million for these programs, primarily managed by Tribes.

Rights Protection Implementation – This program supports the implementation of Federal court orders resulting from decisions in off-reservation treaty rights litigation. The program assists Tribes to develop conservation management plans and codes governing off-reservation conservation enforcement. It also assists Tribes in areas including harvest management, population assessment, habitat protection, stock enhancement, and public information – areas where technical assistance is needed to implement treaty rights. The budget request includes a program increase of \$3.5 million for implementation of off-reservation rights protection.

Tribal Management Development Program – The primary purpose of this program is the management of tribal fish and game programs on Indian reservations. The budget includes a program increase of \$2.0 million to support this economically and culturally significant program. Many reservations and Indian communities are being impacted by cutbacks in State and other sources of funding that assist with game

TRUST NATURAL RESOURCES IN ACTION



The Nez Perce Tribe is working actively with Idaho State fish and game offices to restore fisheries by stocking spawning grounds on the Clearwater, Grande Ronde, and Snake rivers with young hatchery fish. The Tribe is implementing a hatchery supplementation plan by releasing hatchery fish into spawning areas such as ponds along river tributaries. In recent years, the Nez Perce Tribe has cultivated approximately 1.4 million fall chinook annually. The supplementation plan has yielded highly successful results for the area including increasing the wild fish population.

and hatchery programs. These economic realities combined with increased effects of fish and wildlife populations caused by overuse, climate change, and increased development are impacting tribal resources. This program is primarily contracted to Tribes and all management objectives are set by the respective tribal governments.

Invasive Species – Tribal and BIA land managers, like all land managers, face a rising spread of invasive species and the detrimental impact of these species to the natural landscape. The budget includes a program increase of \$500,000 to support tribal programs that control, manage, and eradicate harmful plant and animal species from reservations. Increased emphasis will be placed on cooperation with adjacent land owners and operators and on long-term pest management strategies.

Forestry Program – The Forestry Program undertakes forest land management activities on Indian forest land to develop, maintain, and enhance the forest resources in accordance with the principles of sustained yield and with the standards and objectives set forth in forest management plans. Indian forests cover over 18 million acres of land, with a commercial timber volume of 42 billion board feet and an annual allowable harvest of 700 million board feet. The value of this timber equals approximately \$41 million with an estimated economic impact of \$714 million and 2,600 jobs. Indian forests are located on 298 reservations in 26 States. The 2013 budget includes a program increase of \$1.0 million for BIA forestry programs, which will be used to expand a broad range of activities to benefit Tribes such as forest protection, watershed restoration, and timber harvest management.



Trust - Real Estate Services – The Real Estate Services activity supports BIA responsibilities in the areas of trust services, probate, and land titles and records. Trust management also incorporates programs that coordinate and support the Department's trust reform improvement efforts. The budget request is \$127.8 million, which includes a program increase of \$7.0 million to support these programs.

Trust Services – The Klamath Basin Restoration Agreement was signed in February 2010 and is intended to enable the recovery of salmon and other species that have been threatened by low river flows, poor water quality, and pollution. Although the legislation necessary to implement the agreement has not yet been enacted into law, there are activities to prepare for eventual enactment and implementation. The budget request for Trust Services includes a program increase of \$5.5 million to support the objectives of the agreement including grants for economic development.

NATIONAL COMMISSION ON TRUST ADMINISTRATION AND REFORM

Our trust administration must be more transparent, responsive, customer-friendly, and accountable in managing these substantial funds and assets. Building upon the progress made with the historic Cobell Settlement, this commission will help usher in a new era of trust administration.

*David Hayes, Deputy Secretary of the Interior
November 30, 2011*

On November 30, 2011, Secretary Salazar named five prominent American Indians to a national commission that will undertake a forward looking, comprehensive evaluation of Interior's trust management. Secretary Salazar established the framework for the National Commission on Trust Administration and Reform in a 2009 Secretarial Order, which addressed the Department's future responsibilities for trust management in light of the Cobell Settlement agreement. The Cobell Settlement sets forth resolution of a class action lawsuit regarding the Federal government's trust management and accounting of individual Native American trust accounts and resources. Implementation of the Cobell Settlement will begin when all appeals are resolved.

Interior selected the members of the Commission after a public solicitation for nominations and, in consultation with trust beneficiaries, evaluated the candidates on the basis of their expertise and experience in government, trust, financial, and asset and natural resource management. Members were selected in accordance with the Federal Advisory Committee Act, and they will serve without compensation. By 2014, the Commission is expected to complete a comprehensive evaluation of Interior's management and administration of trust assets and offer recommendations for improvements.

The members of the Commission are:

- **Fawn R. Sharp** is the current President of the Quinault Indian Nation, the current President of the Affiliated Tribes of Northwest Indians, and a former administrative law judge for the State of Washington and Governor of the Washington State Bar Association. She will serve as the Chair of the Commission.
- **Dr. Peterson Zah** is an established leader in Native American government and education circles, was the last Chairman of the Navajo Tribal Council, and the first elected President of the Navajo Nation.
- **Stacy Leeds** is a citizen of the Cherokee Nation, Dean and Professor of Law at the University of Arkansas School of Law, and former Director of the Tribal Law and Government Center at the University of Kansas School of Law.
- **Tex G. Hall** is the current Chairman of the Three Affiliated Tribes, past President of the National Congress of American Indians, currently serving as Chairman of the Inter Tribal Economic Alliance, and the Chairman of the Great Plains Tribal Chairmen's Association.
- **Bob Anderson** is an enrolled member of the Minnesota Chippewa Tribe (Bois Forte Band) and has six years of experience working at Interior as Associate Solicitor for Indian Affairs and as Counselor to the Secretary of the Interior on Indian law and natural resources issues. He is currently a Professor of Law and Director of the Native American Law Center at the University of Washington, and holds a long-term appointment as the Oneida Nation Visiting Professor of Law at Harvard Law School.

The Commission is expected to meet in March 2012 to begin the evaluation and review process.

Litigation Support/Attorney Fees – The 2013 request includes a program increase of \$1.5 million for Litigation Support/Attorney Fees. Litigation Support provides funding to Tribes involved in litigation, negotiation, or administrative proceedings to protect, defend, or establish their rights and protect tribal trust resources guaranteed through treaty, court order, statute, executive order, or other legal authorities. Assistance is provided for a broad range of issues, including environmental matters pertaining to the protection and restoration of tribal trust resources, boundary disputes, and treaty rights, such as hunting, fishing, or gathering rights.

ADVANCING INDIAN EDUCATION

We're going to find ways to reduce the dropout rate. We're going to help students who've already dropped out re-enter the education system. And we're going to strengthen our Tribal Colleges and Universities. They are cornerstones of their community and they deserve our support.

President Barack Obama
December 2, 2011



The 2013 budget request advances the Department's continuing commitment to American Indian education at 183 schools and dormitories funded by the Bureau of Indian Education. The Secretary's initiative to advance American Indian education recognizes the strategic role of education in the long-term health and vitality of Native American communities, and is a vital component of the broader initiative to strengthen tribal communities. The Advancing Indian Education initiative addresses the full spectrum of educational needs in Indian Country

from elementary through post-secondary and adult education. One critical component is an education reform effort aimed at increasing the academic achievement of students in bureau-funded schools, which currently achieve at significantly lower levels in reading and math than the national norms.

The BIE elementary and secondary school system, located on 64 reservations in 23 States, educates or provides residential facilities for approximately 41,000 students in 183 academic or resident-only facilities. Total funding for school operations from

SCHOOL ACHIEVEMENTS



The BIE's schools have realized success in improving academic achievement by using the Northwest Evaluation Association's Measures of Academic Progress. Over 75 percent of BIE academic facilities are currently using this measurement tool. MAP is an assessment tool that helps schools to determine their students' level of academic achievement prior to taking the end of the year assessment used for determining Adequate Yearly Progress. Use of the computer-based MAP allows schools to address instructional weaknesses to improve student achievement.

The New Mexico Navajo North Education Line Office is currently using the MAP and seven of eight schools have exceeded growth expectations or outperformed other students with similar beginning scores in Reading and Math. Since the Department of Education is now offering flexibility in which tools are used to determine student achievement, BIE is investigating the possibility of having all of its schools use MAP to determine AYP.

Federal sources for BIE-funded schools was about \$1 billion in 2011, including \$737.6 million from BIE and \$204.9 million from the Department of Education. Many of the communities served by BIE schools are characterized by below-average literacy rates, low incomes, and high unemployment. Elementary and secondary schools range in size from 11 to more than 1,000 students, representing over 250 Tribes with different cultural backgrounds.

Learning beyond high school is also critical to a successful life and career; 80 percent of new jobs in the competitive global economy require post-secondary education such as a college degree or vocational training. To address this need, BIE operates two post-secondary schools, administers operating grants to 27 tribal colleges and universities and two tribal technical colleges, and promotes post-secondary opportunities with scholarships to approximately 32,000 students.

Investments in recent years have improved the instructional environment with new schools and updated facilities, improved operations and transportation, and implemented new programs focused on student achievement. The 2013 budget continues investments in these areas, with \$796.1 million in 2013, an increase of \$653,000 above the 2012 enacted level.

Tribal Grant Support Costs – The BIE 2013 budget request includes \$48.3 million, a \$2.0 million program increase for the Tribal Grant Support Costs program. The BIE currently funds 125 tribally controlled schools and residential facilities. Grant support funding helps to cover administrative and indirect costs incurred by Tribes that are operating contract and grant schools. Expenses typically include fiscal audits, personnel, property and procurement management, office services and record keeping, insurance, security, and legal services.

Tribal Colleges and Universities – The 2013 budget provides \$69.8 million, a program increase of \$2.5 million for Tribal Colleges and Universities to assist in the economic development of tribal communities and as a result of increasing enrollment. Economic development is important to improve the quality of life in native communities. Significant economic



improvement can occur when community members have the requisite skills and knowledge required to support economic expansion. Tribal Colleges and Universities address the needs of some of the most economically depressed regions in Indian Country and are successfully overcoming long-standing barriers to Indian higher education. They provide local communities with the resources and facilities to teach community members the skills they need to be successful, and to support tribal plans for development. Tribal college faculty and administrators often serve as mentors and community role models that contribute to development in a myriad of areas unique to each community.

Scholarships – The 2013 budget includes program increases of \$610,000 for Scholarships and Adult Education and \$100,000 for Special Higher Education Scholarships. The Scholarships and Adult Education program enables Tribes to design educational programs that fit the needs of their specific communities. The Adult Education program supports adults in their efforts to obtain a GED and provides basic skills training needed to acquire job placement. Scholarship grants are awarded by Tribes to provide financial aid to eligible American Indians and Alaska Native students attending accredited post-secondary institutions. The Special Higher Education Scholarships program provides supplemental financial assistance to Indian students for graduate level study. Emphasis is placed on students pursuing education in professional areas of need to tribal communities such as law, education, medicine, natural resources, engineering, business administration, and social work.

EXPANDING EDUCATIONAL OPPORTUNITIES FOR AMERICAN INDIAN AND ALASKA NATIVE STUDENTS

On December 2, 2011, President Obama signed Executive Order 13592 - *Improving American Indian and Alaska Native Educational Opportunities and Strengthening Tribal Colleges and Universities*. The Order establishes the White House Initiative on American Indian and Alaska Native Education and creates a permanent partnership between the Departments of Education and the Interior. Both will jointly lead the Initiative that will seek to:

- Expand educational opportunities for all American Indian and Alaska Native students to learn their Native languages, cultures, and histories.
- Increase the number of American Indian and Alaska Native children who enter kindergarten ready for success through early learning programs, including Native language immersion and pre-school programs for children from birth through age five.
- Increase the number of American Indian and Alaska Native students who have access to excellent teachers and school leaders, in part by supporting efforts to improve the recruitment, development, and retention of effective American Indian and Alaska Native teachers, other teachers, and school leaders, particularly through the BIE-funded post-secondary schools and Tribal Colleges and Universities.
- Reduce the American Indian and Alaska Native student dropout rate and prepare a greater number of those students who stay in high school for college and careers by graduation and college completion.
- Provide pathways to enable those who have dropped out to reenter educational or training programs to acquire degrees, certificates, or industry recognized credentials and obtain quality jobs by supporting adult, career, and technical education.
- Increase college access and completion for American Indian and Alaska Native students by strengthening the capacity of post-secondary institutions, particularly TCUs.

The Initiative also formalizes tribal consultation and participation to expand education programs including designing programs, recruitment of teachers, and language immersion. In 2012, BIE will work collaboratively with the Department of Education to develop a Memorandum of Understanding that leverages both agencies' expertise and resources to expand educational opportunities within Indian Country.

ACHIEVING BETTER RESULTS AT A LOWER COST

In February 2011, the President issued a Memorandum to Federal agencies entitled “Administrative Flexibility, Lower Costs, and Better Results for State, Local, and Tribal Governments.” The Presidential Memorandum instructed Federal agencies to work with tribal governments—as well as States and localities—to reduce unnecessary administrative burdens and focus available resources to achieve better program outcomes. Based on comments and input from Tribes and Native American business leaders, five interagency working groups, comprised of senior program managers, have been convened to focus on areas that Indian Country identified as priorities to enhance business development and infrastructure in Indian Country. The five working groups are: Housing, Loans and Credit, Training and Employment, Broadband Service, and Workforce Development.



The Department of the Interior has representatives on all of the working groups except for Workforce Development, which is focused on efforts to make Department of Labor grant competitions more accessible to Tribes. Other participating agencies include the Departments of Housing and Urban Development, Veterans Affairs, Treasury, Commerce, Education, Labor, Energy, Agriculture, Health and Human Services, Small Business Administration, and the Federal Communications Commission. The working groups have been meeting regularly to discuss how best to coordinate administrative resources to increase visibility and access to Federal programs available to Tribes, while coordinating agency activities, such as training and the sharing of data. The five groups are working with Tribes

to provide transparency around ongoing Federal efforts and to ensure these efforts benefit from tribal input. Specifically, the work groups are looking at opportunities to:

- Accomplish better and more cost-effective results by consolidating, streamlining, or eliminating data and administrative requirements in the five areas identified.
- Improve and better coordinate training and technical assistance for Tribes across program areas.
- Improve application, documentation, and approval processes like housing and loan applications to clarify and streamline access to Federal programs.

Improved Management—Indian Affairs has already begun to take steps to significantly reduce the administrative costs associated with the wide range of services delivered through its programs. In addition to cost-saving measures such as information technology standardization and infrastructure consolidation, Indian Affairs will identify opportunities to reduce costs and improve efficiency through streamlining consolidations. The 2013 budget request includes a reduction of \$19.7 million to reflect anticipated cost cutting. Inherent in any consolidation is the need to identify and eliminate duplicative or overlapping functions and processes, identify more efficient ways to conduct business, and reduce the associated positions. In 2013, Indian Affairs will explore the use of early retirement and voluntary separations to manage full time employment reductions along with other position management techniques. Such an ambitious undertaking can only be successful with the full support and participation of the Tribes. To this end, Indian Affairs will engage in extensive consultation with the Tribes to identify strategies to ensure tribal needs and priorities are addressed. Following consultation, Indian Affairs will construct an implementation plan for a more streamlined, cost-effective organization.

In addition to savings from consolidations, the 2013 budget includes reductions of \$13.8 million including savings of \$1.0 million in anticipated management efficiencies for non-self-determination contracts, \$1.2 million from improved fleet management, \$2.1 million from employee performance awards, and \$9.5 million from travel reductions.



Transfer – The budget also proposes realignments for Indian programs within the Department. The 2013 Indian Affairs budget includes an increase of \$1.3 million to reflect the transfer of the Indian Arts and Crafts Board from the Office of the Secretary to Indian Affairs. This will allow Indian Affairs to oversee the implementation of the Indian Arts and Crafts Act of 1990, as amended. The Act contains both criminal and civil provisions to combat coun-

terfeit activity in the Indian arts and crafts market. The Board also manages three museums in the Plains Region dedicated to the promotion, integrity, and preservation of authentic Indian art and culture. Consolidation of the Indian Arts and Crafts Board within Indian Affairs provides opportunities to improve the oversight and execution of Indian cultural activities.

Program Reductions – The 2013 budget request includes \$33.1 million in program decreases. Included is a reduction of \$2.6 million for Law Enforcement Special Initiatives reflecting decreased participation in activities such as intelligence sharing. In administrative related activities, the budget reduces \$6.1 million for Information Resources Technology as standardization occurs. In education related activities, the request includes a decrease of \$4.5 million for the Indian Student Equalization Program to reflect a slight decline in student population. In the Construction account, the request includes a decrease of \$17.8 million for Replacement School Construction as the program will focus on addressing the building conditions of existing school facilities. The budget also includes a \$2.1 million reduction for the Indian Guaranteed Loan Program while the program undergoes a program evaluation and seeks to improve its performance.

LET'S MOVE! IN INDIAN COUNTRY

Let's Move! in Indian Country is an initiative dedicated to ending childhood obesity among Indian youth, a group which is twice as likely to be overweight when compared to the general U.S. population. The initiative was developed by First Lady Michelle Obama and has four main goals:

- Create a healthy start in life for children.
- Create healthy learning communities.
- Ensure families have access to healthy, affordable, and traditional foods.
- Increase opportunities for physical activity.

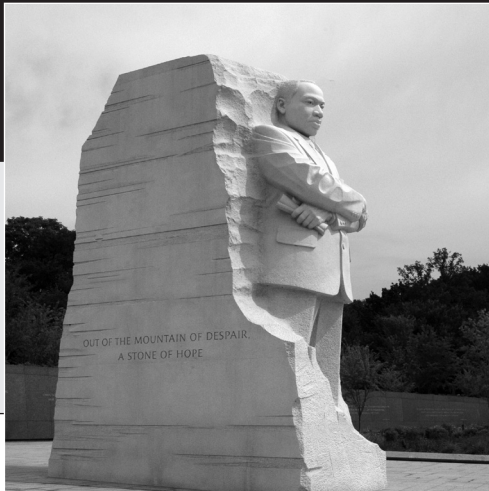
As part of the initiative, on July 11, 2011, the First Lady hosted the first ever lacrosse clinic on the South Lawn of the White House featuring some of the Nation's best lacrosse players, including representatives from the Iroquois Nationals Team, Major League Lacrosse, National Lacrosse League, Metro Lacrosse, and representatives from New Balance. The event was hosted to introduce local and Indian youth to the sport and its cultural traditions.

The Iroquois Confederacy is well known for its cultural ties to lacrosse and the ceremonial roots involving healing. It is wonderful to have Iroquois representatives demonstrate the continuity and diversity behind the secular sport of lacrosse and its sacred historical relationship to many American Indians.

*Larry Echo Hawk
Assistant Secretary – Indian Affairs
July 11, 2011*



Management Effectiveness



The American people must be able to trust that their Government is doing everything in its power to stop wasteful practices and earn a high return on every tax dollar that is spent.

President Barack Obama
June 12, 2011

The Obama Administration has challenged Federal agencies to make the Nation's government more effective – to deliver more to the taxpayers and manage Federal resources more responsibly. To meet this challenge agencies are reviewing programs for savings opportunities, eliminating lower priority and under achieving programs, encouraging employees to identify savings opportunities, and investigating new ideas to increase the effectiveness and efficiency of government operations. The Administration's efforts focus on the following strategies with the highest potential to achieve meaningful performance improvement within and across Federal agencies:

- Focusing on agency top priorities.
- Cutting waste.
- Reforming contracting.
- Closing the information technology gap.
- Promoting accountability and innovation through open government.
- Attracting and motivating top talent.

The Department of the Interior is working aggressively to meet the Administration's focus on management and performance-based alignment of priorities and resources and the progress is reflected in the 2013 budget. Interior's 2013 budget:

- Manages for results by defining core mission priorities, with deliberate strategies, performance measures, and priority goals as the basis for a multi-year strategic plan and annual performance plans.
- Reflects a comprehensive review of programmatic priorities and consideration of Government Accountability Office and Inspector General input on high risk areas and management challenges.
- Implements the Administration's Campaign to Cut Waste to achieve a total of \$207.0 million in administrative savings from 2010-2013 in high cost areas such as supplies, travel, and advisory services.
- Continues to implement Department-wide policy changes to more effectively manage conferences, travel and relocation, information technology, and strategic sourcing.

- Reflects efforts to enhance Federal contracting and acquisition policies and procedures to ensure taxpayers get the best value possible including increased competition and high levels of small business contracting.
- Transforms the delivery of information technology services to a more consolidated and customer oriented business model.
- Fully funds fixed cost increases balancing these requirements with programmatic priorities.
- Reflects ongoing efforts to improve management of asset inventories, to reduce lease and real property costs, and in financial management, reduce improper payments, maintain a clean audit opinion, and ensure a robust set of internal controls.
- Reflects business decisions to consolidate functions and review the potential for organizational improvements to achieve greater efficiencies. This includes consideration of Government Accountability Office input on duplicative programs.

Cuts, Consolidations, and Savings – Interior’s use of these strategies is improving the alignment of resources with priorities, advancing partnerships and collaboration, and meeting the challenge of fiscal transparency and accountability. The 2013 request includes \$42.5 million in program terminations and \$474.3 million in programmatic reductions to offset support for operational requirements including programmatic and fixed costs.

Fixed Costs – The 2013 budget request fully funds \$92.3 million of increases in fixed costs. Fully budgeting for these costs provides a fuller description of their programmatic impact. These costs are limited based on an agreement with the Interior Appropriations Subcommittees and include space rental and associated security charges; workers and unemployment compensation; and centralized administrative and business systems, services, and programs financed through the Working Capital Fund. The request assumes a 6.8 percent increase in health benefits, an increase for one more paid day, and a 0.5 percent pay raise adjustment for 2013. The Department does not include within-grade increases in its fixed costs, nor increased costs related to postage, fuel, or other consumables. Significant

elements of the increase in 2013 are \$21.5 million for the employer share of health benefits, \$18.9 million for the additional paid day, and \$13.4 million in rent.

MANAGING FOR RESULTS

Last year, the Interior Department completed a new five-year strategic plan that simplifies Interior’s mission objectives and outlines five mission areas with discrete goals, strategies, and measures to assess performance.

Interior’s Strategic Plan lays the framework for the integration of programs, allocation and alignment of resources to achieve key goals, and collaboration and coordination with stakeholders. Performance measures in the Plan are used to gauge progress and assess the Department’s performance. The following five mission areas provide the framework for the Department’s over arching stewardship responsibilities and define long-term areas of focus:

- Provide natural and cultural resource protection and experiences.
- Sustainably manage energy, water, and natural resources.
- Advance government-to-government relationships with Indian Nations and honor commitments to Insular areas.
- Provide a scientific foundation for decisionmaking.
- Build a 21st Century Department of the Interior.

Building upon the five-year Plan, Interior is working to expand the practical use of performance information to help planning, decisionmaking, budget formulation, and transparency, in accordance with the Government Performance and Results Modernization Act of 2010. The Plan presents long-term goals across the Interior Department and includes performance measures being used to track and demonstrate progress. An Annual Performance Plan and Report is being released with the 2013 Budget, which will include supporting information on the annual achievement of the goals in the Plan and accomplishments.

Interior is also continuing the use of Priority Goals to target aspects of reform to achieve the Secretary’s key priorities. Progress toward achieving these Priority Goals is regularly reviewed among members

INTERIOR'S INCLUSIVE WORKPLACE STRATEGY

On August 16, 2010, Secretary of the Interior Ken Salazar issued an *Inclusive Workplace Statement* to all employees of the Department of the Interior. This statement communicated his commitment to employing the best people to do the best job possible. Secretary Salazar noted that achieving a diverse workforce and creating an inclusive culture are integral to Interior's success.

Secretary Salazar and Assistant Secretary – Policy, Management and Budget, Rhea Suh, also issued an *Inclusive Workplace Strategy* directing each Interior bureau to develop its own inclusivity and diversity action plan. Leaders and managers are held accountable for implementing their plans to achieve the goal of making Interior the best place to work in America, where all of its employees are respected, quality of work life is valued, and everyone has the opportunity to reach their potential. A crucial aspect of Interior's Strategy is that all employees see themselves engaged in the initiative. The Strategy is based, in part, on the premise that the behaviors and actions that support diversity and inclusion will come through the actions of all Interior employees.

Just as Interior uses sound science to manage and sustain America's natural resources, the Strategy employs a data driven approach to assess the current state of diversity and inclusion and to uncover and remove barriers to diversity at all levels of the workforce.

Interior's Strategy aims at transforming workforce diversity training and education from traditional anti-discrimination compliance to having a laser focus on organizational development and talent management.

Among Interior's many initiatives for building and sustaining an inclusive workplace is the institution of a Diversity Change Agent program. This program is comprised of a cadre of fully committed and trained diversity change agents who affect and mobilize a critical mass of stakeholders and lead efforts to educate the workforce about diversity: what it is, why it is important, and how to guide people towards achieving it.

of senior management through quarterly status reviews chaired by the Deputy Secretary, thereby increasing the probability of success in reaching these goals. The quarterly and annual assessment of these goals supports improved coordination, alignment of program activities, and an integrated and collaborative assessment of resources, impediments, and paths forward. All of these efforts are helping to improve programmatic achievement and transparency across the Department.

The 2013 Priority Goals remain consistent with the goals in place since 2009, allowing Interior to build on the tangible near-term achievements. These five Priority Goals define areas of notable reform

outlined by the Secretary with a particular emphasis on achieving results in the near-term, including renewable energy, sustainable water management and conservation, climate change adaptation, youth employment and engagement, and efforts to reduce crime in Indian communities. These priorities remain fully supported in the 2013 budget request. The 2013 budget includes a sixth Priority Goal regarding improvements in the Department's onshore oil and gas programs. This goal recognizes the important high risk categorization by the Government Accountability Office for the Department's oil and gas programs and puts in place a set of plans and milestones to address GAO's recommendations and Inspector General corrective actions.

CUTTING WASTE AND ACHIEVING EFFICIENCIES

The challenging economic situation makes it incumbent upon Federal agencies to bear in mind their role as stewards of taxpayer dollars with responsibility to ensure a high return on spending, and intolerance for waste and abuse.

Over the years, Interior has streamlined and improved the efficiency and effectiveness of its programs. The Department is a mission-focused organization. Interior works hard to leverage resources with State, local, tribal, and non-profit organizations through partnerships and cost-sharing arrangements. Departmental programs use strategic and workforce planning, employee development, and other business process improvement strategies to increase the effectiveness of management and operations.

Interior is increasing the use of practices such as shared services, facility co-location, centralized acquisition, recycling and reuse, equipment life-cycle management, and many other administrative business management practices. Nonetheless, opportunities remain where innovative ideas could identify potential additional savings and efficiencies.

In two recent Executive Orders, President Obama outlined a challenge to Federal agencies to improve their performance and reduce waste, fraud, and abuse across government. In response, Interior committed to reduce administrative savings by \$207.0 million by the end of 2013 and submitted an implementation plan to the President in December 2011. The implementation plan is fully integrated with Interior's on-going initiatives in a broad cross-section of administrative areas including strategic sourcing and facilities savings, and an ambitious Information Technology Transformation initiative to consolidate infrastructure.

As part of the Administration's Campaign to Cut Waste, Federal accountability to achieve these savings will be stepped up. The President's Executive Order 13589 directs Cabinet members to report progress in cutting waste and delivering results directly to the Vice President. The Vice President is committed to holding regular meetings with Cabinet members to maintain agency focus on efforts to eliminate government waste, save taxpayer dollars, and make government work better. Interior

has assigned savings targets, developed an internal tracking process to monitor progress toward efficiency savings goals to provide reports to senior leadership, and is working in an integrated fashion to identify and implement program, policy, and process reforms.

To achieve the \$207.0 million savings goal in 2013, the Department is building on savings efforts launched in 2011 and 2012. Between 2010 and 2011, Interior achieved \$52 million in administrative savings. Another \$75 million is planned to implement in 2012. The 2013 budget assumes efficiencies of \$80 million.

The 2013 budget continues two years of targeted administrative cost savings efforts and supports implementation of aggressive organizational solutions to achieve greater savings in the future.

Interior's savings strategy capitalizes on the implementation of Department-wide policy changes in travel and relocation, strategic sourcing, and information technology consolidation. The Department's 2013 request continues to support these reductions and advance their implementation. Interior's Campaign to Cut Waste has expanded to include improved management of conference activities, support service reductions, and other efforts underway to reduce spending and achieve more effective and efficient use of fleet, assets, space, acquisition, and information technology.

Travel, Conferences, and Relocation – Interior is charged with managing America's vast natural and cultural resources, spanning a geographic area from Palau, the western-most Pacific outpost, to the U.S. Virgin Islands, the eastern-most Caribbean station. Slightly less than 70,000 employees, along with more than 305,000 volunteers, carry out Interior's mission in more than 2,400 operating locations. Due to the vast footprint of Interior's operations, including the most remote locations in the Country, much of the travel performed is truly mission-essential. Extensive travel is often required for management of public lands and resources including law enforcement activities, volcano and earthquake monitoring, migratory bird inventories, and fire fighting. Interior's missions and activities, by their very nature require travel to evaluate the status of resources, to gather data, and to share technologies and conduct outreach with partners and stakeholders. A new, more expansive tribal consultation policy requires travel to ensure adequate effort is made to assess the views and concerns of Indian Tribes. In addition, much of Alaska is not accessible by vehicle and

remote locations in the lower 48 States require the extensive use of aircraft.

REACHING INTERIOR'S SAVINGS GOAL

The Department of the Interior will achieve \$207.0 million in savings from 2010-2013 by efficiencies as follows*:

Travel.....	-\$37 million
Transportation of Things.....	-\$2 million
Advisory and Assistance Services/Other	
Contractual Services	-\$100 million
Supplies/Equipment	-\$70 million

**The Departmental savings estimates assume a \$2 million increase in publication and printing over the three year period.*

From 2010 to 2011, Interior reduced travel spending from \$261 million to \$242 million, a decrease of just over seven percent. Through the use of technology, including teleconferencing, video conferencing, shared web sites and web conferencing, as well as enhanced management attention and internal controls, Interior will continue to reduce travel through 2013.

Working with the Chief Financial Officers Council within Interior, the Department will examine and update travel policies and procedures, deploy bureau travel best practices, and ensure consistency in approval levels. The Department is also working to modernize, expand, and leverage video conferencing facilities to optimize investments in technology. Interior is leveraging data from GovTrip, the government-wide electronic travel system, to monitor travel across the Department to ensure achievement of goals, and identify candidate locations for technology solutions that could help to reduce travel.

Interior's employees serve communities large and small and deliver the Department's land and community-based programs in ways that engage the participation of citizens, groups and businesses. To effectively manage land and resources, Interior relies upon the use of partnerships. Extensive collaboration occurs with States, local communities, Tribes, non-governmental organizations, universities, and others. Conferences are a commonly used means for communication and information sharing. In ad-

dition, Interior's geographically dispersed activities necessitate the use of conferences to ensure effective and consistent policy implementation. Conferences are an important way to conduct training, often offering a less costly alternative to classroom or commercially offered training. Conferences are also a mechanism to share unique skills and knowledge that may not be available elsewhere.

In accordance with the Office of Management and Budget's memorandum, *Eliminating Excess Conference Spending and Promoting Efficiency in Government*, Interior implemented policies requiring prior approval from the Deputy Secretary or his designee for conferences funded or sponsored by another entity at which 15 or more Interior personnel will be attending, and Interior funded or sponsored conferences at which 30 or more attendees will be present and half or more are in travel status. Bureaus and offices have certified that effective internal controls are in place to manage conference activities and spending. The use of plans and Departmental coordination, review, and monitoring of conferences through GovTrip will help to identify opportunities for the use of alternatives.



The payment of relocation expenses has been an important incentive to encourage employees to move among Interior facilities to gain a variety of skills and experience in preparation for eventual leadership positions. It is also an important tool to improve diversity. The costs for relocation have increased in recent years due to fuel costs, air fare, and other factors. Requiring that employees bear the costs for relocation to some of Interior's remote locations can be a cost-prohibitive burden and impede the selection of the best candidates for positions. In 2010, Interior spent nearly \$66 million on relocations. In contrast, 2011 relocation spending totaled just under \$48 million, a decrease of 27 percent. The Department Chief Financial Officers Council is undertaking an

aggressive review of relocation policies across the agency to issue guidance and standardize practices to achieve further reductions.

Management Support Services Contracts – The Department has set a goal to reduce spending on management support services contracts by 15 percent from 2010 levels by the end of 2012, and an additional five percent by the end of 2013, for a 20 percent total reduction from 2010 levels. This goal is an important component of the Campaign to Cut Waste and the Executive Order on *Delivering an Efficient, Effective, and Accountable Government*. These support contracts are comprised of twelve OMB-designated Product Service Codes that include activities such as engineering and technical services, acquisition planning, information technology services, and program management. These functions are also referred to as Advisory and Assistance Services in the budget object classification 25.1 used in OMB Circular A-11.

Acquisition Improvement – Interior’s efforts to implement strategic sourcing and implement an Acquisition Improvement Plan are contributing to the \$207.0 million overall savings goal and have generated efficiencies across the Department. Acquisition improvements include:

- Promoting use of the FedBid reverse auction program for commodity purchases.
- Requiring the use of e-Buy procurements to the maximum extent possible, where reverse auctions are not suitable.
- Increasing the savings achieved through strategic sourcing initiatives.
- Improved reporting in the Federal Procurement Data System-Next Generation.
- Improving the capability of the acquisition workforce through professional certification programs and training in core competencies such as cost and price analysis and contract reductions, terminations, and close outs.

Interior has awarded Department-wide strategic sourcing contracts for information technology hardware, office supplies, and multi-function copier devices; and issued a policy to make the use of these contracts mandatory. The Department is exploring additional strategic sourcing opportunities to further increase buying power Department-wide. Interior participates in Federal Strategic Sourcing initiative

acquisitions for office supplies and will participate in other planned Federal initiatives.

Vehicle Fleet – Interior has an extensive fleet composed of 24,545 government-owned and 10,366 leased vehicles used to carry out its diverse missions throughout the United States. The fleet is critical in the delivery of mission essential activities, including fire-fighting, monitoring of lands and resources, and providing services to Indian communities. The Department is committed to an efficient fleet. The size of the executive fleet in Washington, D.C. has already been reduced by one-third. Interior is analyzing the size of the owned and leased fleet using creative solutions that ensure continued support for the mission.

The Department began a comprehensive review of its fleet operations in 2012 and will complete GSA’s Vehicle Allocation Methodology to identify opportunities to share vehicles across bureaus and offices; develop a vehicle disposal plan for under utilized vehicles; and evaluate the opportunities to expand the use of the Working Capital Fund to achieve efficiencies in fleet management.

Real Property Cost Savings and Innovation – In response to Presidential direction to eliminate waste by disposing of excess assets and reducing real estate and rental space occupancy, the Department implemented a Real Property Cost Savings and Innovation Plan in 2010 and updated its Plan in 2011. These reductions have the added benefit of reducing the Department’s energy and water usage and greenhouse gas pollution. The plan outlines an ambitious set of goals to achieve savings by eliminating Government-owned assets, where possible and practical, and reducing the use of leased space. Through the improved use of owned and leased space, disposition of unused assets, and co-location efforts, the Department has set a goal to achieve savings and cost avoidance totaling \$160 million during 2010 – 2012.

Information Technology Transformation – One of the most significant undertakings to improve management effectiveness within the Department is the Information Technology Transformation initiative. This will implement a new business model for consolidated delivery of information technology services to Interior’s programs and employees and realize energy and cost savings.

In December 2010, Secretary Salazar signed Secretarial Order 3309 to transform Interior’s information

technology into an agile, reliable, and cost-effective service that allows employees to better support Interior's mission. Since that time, the Department has completed an IT Transformation Strategic Plan, established seven high-priority IT service areas for consolidation, selected Assistant Directors of Information Resources as bureau leaders for each IT service area, and completed IT Transformation "quick wins" to show improvement to key business challenges identified by Interior employees.

The implementation phase of Interior's IT Transformation started in January 2012 and will continue over the next three years. An implementation plan has been completed providing detailed milestones and schedules for completing projects in each of the seven IT service areas. The detailed plan includes a project to analyze the current workforce to determine what technology positions currently exist, determine what will be needed in the future, and a plan to transition Interior's IT workforce into the future state.

Interior will also complete projects to provide information technology services on a Department-wide basis such as a single agency e-mail system, an enhanced single Interior network that can be used by all bureaus, a cloud computing blanket purchase agreement, and a Department-wide mobile computing platform to increase the availability of technology to Interior employees.

In 2013, the Department will use its Working Capital Fund to fund the Information Technology Transformation, shifting the costs for the initiative from appropriated WCF funding to the Departmental WCF Centralized Bill. Under this funding model, the Department will self fund IT infrastructure enhancements through investment from the benefiting bureaus and offices. In 2013, the request for appropriated funds for IT is reduced by \$5.0 million. Following the new approach, the WCF Centralized Bill supports \$11.7 million for the following IT Transformation activities:

- \$5.0 million for planning, coordination, and implementation of IT services for the entire Department, cutting costs, and transforming the Office of the Chief Information Officer into a service delivery organization.
- \$5.0 million for a new cloud computing blanket purchase agreement. This cloud computing agreement is the next phase

of the data center consolidation efforts which will save the Department money, energy, and space.

- \$1.7 million to support enterprise-wide mobile computing, expanding the use of non-government furnished equipment for work activities. This will provide employees with the tools they need to get their jobs done from anywhere, at any time, in multiple ways.

Bureaus and offices will be charged for their proportional share of 2013 IT Transformation costs, using an algorithm based upon their current costs for IT infrastructure and enterprise architecture and planning. Interior has committed to achieve \$100 million of annual cost savings from 2016 to 2020 through the consolidation of its IT infrastructure and the delivery of common services, for a total projected savings of a half-billion dollars by 2020.

OPEN GOV – Interior is also committed to the principles of an open, transparent, collaborative, and participatory government. The Department continued its efforts to publish high value datasets to the public through Data.gov. To date, Interior has published 122,612 datasets, second only to the Department of Commerce.



Information Technology Investment Management Reforms – The Department has initiated a process called "iStat" to bring rigor and thoroughness to the Department's IT investment management and review functions. Modeled after the Office of Management and Budget's TechStat review process, iStat briefings focus on the overall management of the investment and examine program performance against expected business value. Findings and recommendations provide an opportunity for discussion among key stakeholders on needed improvements and commitments to a course of action within the fiscal year.

As a result of an OMB TechStat and an internal iStat performance review, Interior ended its OCS Connect investment in 2011. The OCS Connect was an

investment intended to enable electronic submission of permit requests and facility inspection paper work from the offshore oil and gas operations to provide a reliable common data base of information. The TechStat and iStat performance reviews found development of OCS Connect to be problematic, behind schedule with significant development issues, and with the potential for significant cost overruns without achieving its intended outcome. This action resulted in \$26 million in savings and \$41 million in cost avoidance. Since the iStat process has been in place, the review process and related decisions have resulted in increased transparency and accountability of information technology projects and have also created a forum for development of future plans. The information technology project terminations from iStat reviews have totaled \$50.5 million in lifecycle cost avoidance.

The Office of the Secretary Investment Review Board is developing roadmaps for enterprise investments that will be used to guide decisions about the Department's investment portfolio. These roadmaps, piloted in activities including environmental management, financial management, human resources, planning and budgeting, revenue collection, and wildland fire will be used to build a five-year plan for investments to modernize and operate existing systems, invest in new systems and applications, terminate legacy systems and applications, and improve the alignment of information technology with strategic agency goals.

LOOKING FORWARD

Interior recognizes the need to manage effectively and efficiently, to live within constrained budgets, and increase reform efforts to better align and deliver services to the American people. This sets the stage for a series of actions underway in 2012 and proposed in the 2013 budget. These actions are taking place on the broad landscape of Interior programs and reflect sacrifice and tough choices.

Better Government – Secretary Salazar signed Secretarial Order 3315 on October 26, 2011, to better align certain functions of the Office of Surface Mining, Reclamation and Enforcement, the Bureau of Land Management, and the Office of Natural Resources Revenue. In order to plan for this, Secretary Salazar has asked the Directors of OSM and BLM and other Interior officials to report by February 15, 2012, on consultations with the bureaus' employees, congressional committees, and interested parties such as Tribes, State regulatory officials, industry,

and representatives of communities affected by coal mining.

Service First – The Department operates out of over 2,400 locations and manages over 165,000 physical assets, second only to the Department of Defense. While effective program delivery relies on close coordination at the local level and a field level presence, alignment of operational models, standardization of administrative and support functions, centralization of common services, and other actions can be taken to improve efficiency, cut costs, and avoid future cost increases. The 2013 budget for the Working Capital Fund appropriation includes \$5.0 million to look in-depth at longer term savings solutions like the consolidation of services, facilities, and infrastructure. The objective of the Service First transformation initiative is to identify opportunities to integrate and leverage resources used by Interior bureaus and offices and to shrink the Department's footprint, maximize efficiency, and identify savings while maintaining the level of mission delivery.



Service First began as a partnership authority among four agencies including BLM, FWS, NPS, and the Forest Service. The authority allows these agencies to conduct projects, planning, permitting, leasing, contracting and other activities, either jointly or on behalf of one another; co-locate in Federal offices and facilities leased by an agency of either Department; and promulgate special rules as needed to test the feasibility of issuing unified permits, applications and leases. The Secretaries of the Interior and Agriculture may make reciprocal delegations of their

respective authorities, duties and responsibilities to promote customer service and efficiency. Service First has effectively demonstrated that leveraging and taking a more strategic approach to operations can save costs and result in more seamless service to the public.

The Department will build on the successful Service First partnership approach and seek to identify opportunities for improved service delivery. In an initial effort, Interior is examining the Wildland Fire Management Program to identify the most effective and efficient organization. The program is operated by four bureaus including BLM, FWS, NPS, and BIA. The review will result in a set of options for a comprehensive suite of Wildland Fire Management services that support core mission needs.

National Business Center – The NBC performed a strategic assessment of its service offerings to determine the optimal array that would provide best-in-class service and add value to the Department. The assessment conducted a thorough analysis of all NBC services and generated recommendations including strategies for achieving productivity and performance improvements. The assessment recommended NBC narrow its focus to a core set of complementary shared services with clear benefit to Interior, address critical performance challenges over the next two years and achieve major performance improvements over the next three years, and pursue opportunities to expand services and deliver strategic value over the next three to five years.

As part of this process, the aviation management and administrative operations functions currently located in NBC will devolve to other Departmental locations. Aviation services will be moved in order to align with law enforcement and wildland fire management programs. The 2013 budget for the Working Capital Fund reflects the transfer of Aviation Management from NBC to the Office of the Assistant Secretary – Policy, Management and Budget, reporting to the Deputy Assistant Secretary – Law Enforcement, Security and Emergency Management.

Administrative operations, primarily responsible for management of the Main Interior Building complex, will report to the Deputy Assistant Secretary – Technology, Information, and Business Services. Both of these functions primarily support the Interior Department versus external customers and are more appropriately realigned from NBC, a shared service provider, to the Department.

Financial Accountability – In 2011, the Interior Department received its 15th consecutive favorable financial audit opinion from KPMG LLP, an independent certified public accounting firm. The Department's sustained financial reporting success highlights Interior's commitment to the highest standards of accountability, transparency, and ethics, and underscores the seriousness of its responsibility to the American public for financial excellence.

Financial and Business Management System – The Financial and Business Management System is a key component of the Department's management strategy. The deployment is delivering modernized systems support and is facilitating improved management, accountability, and transparency in budget execution, financial management, acquisition and financial assistance, fleet and facilities management, and property management.

Today six bureaus and all of the Departmental Offices have an operating system for core financials, acquisition, personal property, fleet management, real property, travel, financial assistance, enterprise management information, and reporting in a single integrated system. The deployment to Departmental Offices included 60 entities namely the Office of the Special Trustee for American Indians, the Office of Inspector General, the Solicitor's Office, the Office of the Secretary, and others. The FBMS will be deployed to NPS and Indian Affairs in the fall of 2012, and the Bureau of Reclamation in the fall of 2013.

The system has delivered on promised improvements in functionality, consistency in reporting, standardized internal controls and processes, and improved data availability. The system has successfully supported the Department's clean financial audits, allowed bureaus and offices to conduct quarterly closings and reconciliations, and allowed Interior to terminate the operation of numerous legacy systems.

During the spring of 2011, the Department in coordination with OMB undertook a third-party review of the system, evaluating risks, complexities, and costs. The third party reviewer confirmed FBMS is delivering a standard enterprise system and as intended. They recommended completion of the deployments on schedule with some adjustments to improve deployment efficiency.

Main Interior Modernization – The Main Interior Building is undergoing final touches on the

modernization of five of the six wings that make up the structure. The modernization has installed new heating and cooling systems, upgraded wiring and cabling for communications and information technology, replaced outdated lighting, and improved energy efficiency and sustainability. With the challenges facing the Federal Building Fund, the modernization will not reach the sixth wing in 2012 and completion of the modernization project will be delayed.

However, Interior is examining opportunities to make incremental changes to increase energy efficiency and realize other improvements in the sixth wing. In addition, the decision has been made not to reopen the Interior building museum, a feature of the building since it was dedicated in 1936. Although there will be no museum, efforts will continue to inventory, catalog, and restore items in the Interior collections and evaluate the feasibility of making the collection available to scholars and for exhibit. The area previously allocated for museum space will be turned into conference facilities and other space that can be used to consolidate Interior bureaus and offices, thereby reducing the need for leased properties elsewhere in Washington, D.C.

Cultural and Scientific Collections – The budget requests an increase of \$3.5 million for the Cultural and Scientific Collections program, which will be funded through the Working Capital Fund. The proposed increase would implement a multi-year corrective action plan to address recommendations included in an assessment published by the Department's Office of Inspector General in December 2009, regarding Interior's accountability for its cultural and scientific museum holdings.

The IG followed this report in January 2010, with reports on specific preservation and protection issues concerning collections maintained by BLM, Reclamation, FWS, NPS, and BIA. The IG developed a list of 13 recommendations to mitigate the problems identified in the audit, including developing and implementing policy, strengthening Departmental oversight and bureau management practices, eliminating the accessioning and cataloging of backlogs, and consolidating curatorial facilities.

The 2013 proposal has three components: support for oversight and technical assistance; a pilot study

to identify and assess collections at non-Federal repositories in three States; and a consolidation study of bureau and non-bureau facilities housing museum collections using a qualified contractor to determine the potential for economies of scale, improvements of oversight and accountability, and space reduction.

Office of Natural Resources Revenue – As part of the reorganization of the former Minerals Management Service, the Office of Natural Resources Revenue was established within the Office of the Secretary under the Assistant Secretary – Policy, Management and Budget on October 1, 2010. Entrusted with an important fiduciary role for all Americans, ONRR collects, accounts for, analyzes, audits, and disburses revenues from energy and mineral leases and other monies owed for the utilization of public resources on the Outer Continental Shelf and onshore Federal and Indian lands.

During the transition to the Office of the Secretary, ONRR initiated an agency-wide strategic review and developed new strategic outcomes aligned with the Department's Strategic Plan. The ONRR is implementing numerous strategic initiatives identified in the agency-wide review, including better data mining capabilities, enhanced audit and compliance reviews, and improved communications with stakeholders. The Department is also studying its other revenue management functions to identify potential benefits of realigning these functions within ONRR.

The ONRR is taking the lead for the Department's participation in the Extractive Industries Transparency Initiative. Interior has been named the U.S. lead on the application process to join the EITI. This is an international effort to utilize a voluntary consensus based-process to promote transparency in the collection and payments of royalties and revenue associated with extractive industries. The President announced the U.S. intention to apply for candidacy within EITI as part of the Open Government Partnership's National Action Plan publication. The Department is creating a work group comprised of extractive industry stakeholders, Federal agencies, and the public. This multi-stakeholder group will collaboratively develop and publish a fully-costed work plan and a timetable for implementation of the EITI as part of the application for candidacy.

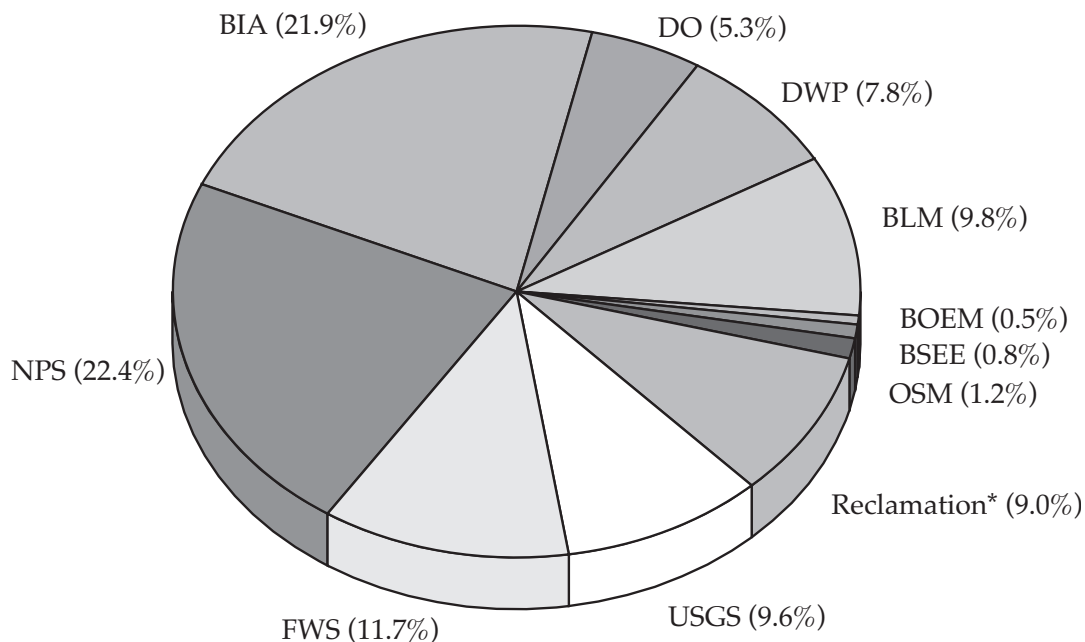
BUREAU HIGHLIGHTS



BUREAU HIGHLIGHTS

This section summarizes the budget requests of the bureaus and offices of the Department, comparing the 2013 request to the 2012 enacted level. The graph below and the tables on the following pages show the allocation of the proposed 2013 budget authority to the bureaus and offices. Additional details on the Department's budget authority can be found in Appendix A.

FISCAL YEAR 2013 CURRENT APPROPRIATIONS



BLM	1,127	Reclamation*	1,034	NPS	2,579
BOEM	63	USGS	1,102	BIA	2,527
BSEE	96	FWS	1,348	DO	609
OSM	141			DWP	905

* Includes Central Utah Project Completion Act

BUDGET AUTHORITY BY BUREAU

(in millions of dollars)

<u>Bureau</u>	2011 Actual	2012 Enacted	2013 Request	Change
Current Budget Authority				
Bureau of Land Management.....	1,149	1,128	1,127	-1
Bureau of Ocean Energy Management, Regulation & Enforcement	223	0	0	0
Bureau of Ocean Energy Management	0	60	63	+3
Bureau of Safety and Environmental Enforcement.....	0	76	96	+20
Office of Surface Mining Reclamation and Enforcement.....	163	150	141	-9
U.S. Geological Survey.....	1,084	1,068	1,102	+34
Fish and Wildlife Service	1,506	1,476	1,348	-128
National Park Service	2,611	2,580	2,579	-1
Bureau of Indian Affairs.....	2,593	2,531	2,527	-4
Departmental Offices				
Office of the Secretary - Salaries and Expenses	121	262	262	0
Insular Affairs.....	101	104	88	-16
Office of the Solicitor.....	65	66	65	-1
Office of Inspector General.....	48	49	48	-1
Office of the Special Trustee for American Indians	161	152	146	-6
Subtotal, Departmental Offices	496	633	609	-24
Department-wide Programs				
Central Hazardous Materials.....	10	10	10	0
Wildland Fire Management.....	720	484	726	+242
FLAME Wildfire Suppression Reserve Account	61	92	92	0
Natural Resource Damage Assessment & Restoration	6	6	6	0
Working Capital Fund.....	86	62	71	+9
Subtotal, Department-wide Programs	883	654	905	+251
Bureau of Reclamation	1,063	1,048	1,034	-14
Central Utah Project Completion Act	40	29	0	-29
Total Current Budget Authority	11,811	11,433	11,531	+98
Adjustments for M-Savers	-40	-42	-40	+2
Adjustments for Mandatory Current Accounts	-63	-57	-57	0
Adjustment for Discretionary Receipts Offsets.....	-76	-67	-56	+11
Total Net Discretionary	11,633	11,266	11,377	+111
NPS Contract Authority Rescission	30	30	0	-30
Net Receipts Sharing	40	42	0	-42
Mining Law Administration	0	2	0	-2
Palau Compact Extension.....	-13	-13	0	+13
CUPCA Contributions from WAPA.....	-8	-4	-4	0
Total Net Discretionary Budget Authority [OMB/MAX].....	11,684	11,320	11,374	+54

BUDGET AUTHORITY BY BUREAU

(in millions of dollars)

<u>Bureau</u>	2011 Actual	2012 Enacted	2013 Request	Change
Total Budget Authority				
Bureau of Land Management.....	1,299	1,277	1,305	+28
Bureau of Ocean Energy Management, Regulation & Enforcement	223	0	0	0
Bureau of Ocean Energy Management	0	60	63	+3
Bureau of Safety and Environmental Enforcement.....	0	76	96	+20
Office of Surface Mining Reclamation and Enforcement.....	832	890	678	-212
U.S. Geological Survey	1,085	1,069	1,103	+34
Fish and Wildlife Service	2,494	2,429	2,342	-87
National Park Service	3,003	2,984	2,986	+2
Bureau of Indian Affairs.....	2,812	2,744	2,634	-110
Departmental Offices				
Office of the Secretary - Salaries and Expenses	2,084	4,271	2,477	-1,794
Insular Affairs.....	512	571	575	+4
Office of the Solicitor	65	66	65	-1
Office of Inspector General.....	48	49	48	-1
Office of the Special Trustee for American Indians	579	581	588	+7
Subtotal, Departmental Offices	3,288	5,538	3,754	-1,784
National Indian Gaming Commission.....	17	17	18	+1
Department-wide Programs				
Payments in Lieu of Taxes	376	387	398	+11
Central Hazardous Materials	10	10	10	0
Wildland Fire Management.....	720	484	726	+242
FLAME Wildfire Suppression Reserve Account	61	92	92	0
Natural Resource Damage Assessment & Restoration	73	70	60	-10
Working Capital Fund.....	86	62	71	+9
Subtotal, Department-wide Programs	1,326	1,104	1,357	+253
Bureau of Reclamation	1,655	1,247	1,208	-39
Central Utah Project Completion Act	40	29	0	-29
Total Budget Authority	18,074	19,464	17,546	-1,919

Note: Includes current and permanent authority. Includes enacted transfers.



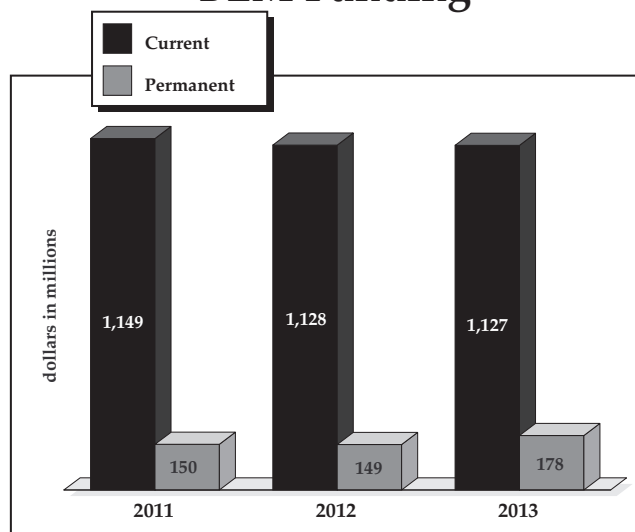
BUREAU OF LAND MANAGEMENT

Mission – The Bureau of Land Management’s mission is to sustain the health, diversity, and productivity of the public lands for the use and enjoyment of present and future generations.

Budget Overview – The 2013 BLM budget request is \$1.1 billion, which is essentially level with the 2012 enacted level, and supports 10,365 full time equivalent staff, a reduction of 124 positions from 2012. The budget proposes \$952.0 million for the Management of Lands and Resources appropriation and \$112.0 million for the Oregon and California Grant Lands appropriation, the two operating accounts. This represents a total decrease of \$8.2 million. The budget change is largely the result of a proposal to shift the cost of oil and gas inspections to industry fees, which allows for a significant reduction in the request for appropriated dollars, while actually increasing BLM’s capability in this important program. The 2013 budget continues to provide strong support for high priority Administration and Secretarial initiatives, which include America’s Great Outdoors, New Energy Frontier, the Secretary’s Western Oregon Strategy, and sage grouse habitat conservation and restoration.

America’s Great Outdoors – The BLM plays a vital role in advancing the President’s conservation initiative to reconnect Americans to the outdoors. The 2013 budget includes \$6.3 million in programmatic increases for recreation, cultural resources, and the National Landscape Conservation System that will enable BLM to expand and improve opportunities for recreation, education, and scientific activities while enhancing the conservation and protection of BLM-managed lands and resources. A \$1.1 million program increase in the Cultural Resources Management program will allow BLM to conduct inventories and surveys to determine the presence of archaeological, paleontological, and historical resources; conduct stabilization and protection projects; and expand interpretation and information sharing among other activities. A \$2.2 million program increase is proposed in the Recreation Resources Management program, which will allow BLM to continue to develop and implement travel management plans and also strengthen management of national scenic and historic trails and national wild and scenic rivers.

BLM Funding



The request also includes a \$3.0 million program increase in the National Monuments and National Conservation Areas program that will allow BLM to increase a variety of activities, including enhancing law enforcement, enhancing visitor safety and experiences, and expanding interpretation programs and products.

The 2013 budget also includes increases for programs funded through the Land and Water Conservation Fund, a vital component of the America’s Great Outdoors initiative. The 2013 budget proposal includes \$33.6 million for Federal land acquisition, an increase of \$11.2 million. The 2013 Federal Land Acquisition program builds on efforts started in 2011 and 2012 to strategically invest in interagency landscape-scale conservation projects while continuing to meet agency-specific programmatic needs. The Department of the Interior and the Forest Service collaborated extensively to develop a process to more effectively coordinate land acquisitions with government and local community partners to achieve the highest priority shared conservation goals. The request includes \$2.5 million to purchase hunting and fishing access easements to provide better access to valuable public recreation opportunities.

BUREAU OF LAND MANAGEMENT FACTS

- Established in 1946 through consolidation of the General Land Office and U.S. Grazing Service.
- Administers more land than any other Federal agency, managing and conserving resources for multiple use and sustained yield on more than 245 million surface acres of public land, including the following: energy and mineral development of both conventional and renewable resources; timber production; domestic livestock grazing; outdoor recreation; rights-of-way; fish and wildlife conservation; and conservation of natural, historical, cultural, and other resources on public lands.
- Responsible for onshore subsurface mineral estate development on 700 million acres.
- Manages the National Landscape Conservation System, including 16 national monuments, 21 national conservation areas and similarly designated areas, and 221 wilderness areas.
- In 2011, 11,480 individual full and part time employees and 30,800 volunteers worked to conserve and protect the natural and cultural resources on the public lands and provide recreational and interpretative opportunities and programs.

New Energy Frontier Initiative – The BLM will continue to promote and facilitate the development of renewable energy on public lands. The 2013 budget for renewable energy includes a total program increase of \$7.0 million, including \$5.0 million in new funding. This will support additional environmental studies to accelerate the identification of prime areas for utility scale renewable energy project development. It will also enable BLM to continue ongoing program management responsibilities associated with geothermal energy development by replacing mandatory funding previously provided for this purpose through the Geothermal Steam Act Implementation Fund, which has expired. The remaining \$2.0 million increase is a transfer of the geothermal funds from the Oil and Gas Management program to the Renewable Energy Management program.

The 2013 budget request also provides BLM with the necessary funds to provide timely access to Federal oil and gas resources, ensure they are developed in an environmentally responsible manner, and ensure the Federal government is collecting the proper share of revenue from oil and gas production on Federal lands. A \$5.0 million program increase restores BLM's leasing and oversight capacity to the 2011 enacted level, after a 2012 reduction in appropriations limited BLM's ability to implement the leasing reforms instituted in May 2010. This additional funding in the 2013 budget will allow BLM to more fully achieve the goal of the leasing reforms and to effectively oversee energy permitting and development activities.

A \$5.0 million increase is requested to enable BLM to effectively implement its leasing reforms without sacrificing other program goals, such as providing industry with timely access to Federal oil and gas resources. The increased opportunity for public participation and a more

thorough environmental review process and documentation required by BLM's leasing reforms have increased BLM's costs. The additional funds will enable BLM to conduct defensible and timely lease parcel environmental analyses. The BLM is requesting an additional \$3.0 million for large, regional-scale studies and environmental impact statements for conventional energy issues.

The 2013 budget request also proposes to expand and strengthen BLM's oil and gas inspection capability through the imposition of fees on industry. The fee schedule included in the budget is estimated to generate \$48.0 million in collections, which would offset a proposed reduction of \$38.0 million in appropriated funds, providing for a net increase of \$10.0 million in funds available for this critical BLM management responsibility. The increased funding is aimed at correcting deficiencies identified by the Government Accountability Office in its February 2011 report, which designated Federal management of oil and gas resources, including production and revenue collection as high risk. It will help BLM achieve the high priority goal of increasing the completion of inspections of Federal and Indian high risk oil and gas cases by nine percent over 2011 levels. The BLM will also complete more environmental inspections to ensure environmental requirements are being followed in all phases of development.

Beyond these proposed changes in the request for appropriations, the 2013 BLM budget request assumes nearly \$19.0 million in mandatory funding continues to be available for the oil and gas program from the Permit Processing Improvement Fund. The budget proposes to repeal Section 365 of the Energy Policy Act of 2005 in 2014 and redirect the rental income to the Treasury. The budget proposes to continue charging fees for

processing Applications for Permits to Drill, generating \$32.5 million in 2013.

Sage Grouse Conservation – The BLM is requesting an increase of \$15.0 million to implement sage grouse conservation and restoration measures to help prevent the future listing of the species for protection under the Endangered Species Act. In its March 2010 ruling that listing was “warranted but precluded,” the Fish and Wildlife Service said that BLM was not “fully implementing the regulatory mechanisms available” to ensure species conservation. The BLM is addressing the FWS concerns through a planning process formally initiated in late 2011, and the additional funds in 2013 will enable BLM to ramp up and implement this process, and take other actions before the 2015 deadline for FWS to make a final decision on whether or not to list the sage grouse.

The BLM will use \$10.0 million of the requested increase to incorporate the necessary regulatory mechanisms into BLM’s land use plans to address conservation of the sage grouse. As many as 98 BLM resource management plans, in 68 planning areas, will address sage grouse. The BLM expects to prepare Environmental Impact Statements to analyze proposed amendments to some land use plans not currently undergoing amendment or revision. For plans already under amendment or revision, BLM will consider incorporating conservation measures, either through the ongoing amendment or revision process, or through supplemental EISs.

The BLM will use an additional \$2.5 million to conduct on-the-ground restoration projects and improve key sage grouse habitat. These include projects aimed at limiting the size and intensity of wildfires and curtailing the expansion of non-native invasive grasses in the understories of sagebrush plant communities. The remaining \$2.5 million increase will support additional inventory, monitoring, and mapping efforts to delineate areas of highest priority habitat across the range of sage grouse. As BLM completes range-wide priority habitat maps and inventory work, it will work in coordination with the respective State fish and wildlife agencies through the planning process to identify specific management actions on a landscape level that will be undertaken both inside and outside of identified priority habitat in order to maintain sustainable sage grouse populations.

Secretary’s Western Oregon Strategy – The 2013 budget request includes a program increase of \$1.5 million in the Oregon and California Forest Management program to increase the volume of timber offered for sale; support key resource management planning objectives; increase surveying for rare, uncommon, or endangered species; provide for landscape-level timber sale project environmental analysis; and facilitate joint development

and implementation of a revised recovery plan for the northern spotted owl.

Wild Horse and Burro Management Strategy – The budget includes a program increase of \$2.0 million for the Secretary’s Wild Horse and Burro Management Strategy to fund research and development on population control. The long-term goal for effective fertility control is to slow the annual population growth rate for wild horses, while at the same time maintaining herd health, in order to decrease or eliminate the need to remove excess animals. Reducing gathers will decrease holding costs, the largest single cost-driver in the program.

Other Program Increases – A \$4.4 million program increase in the Resource Management Planning program will support high priority planning efforts, including the initiation of new plan revisions in 2013. Resource management plans provide the basis for every BLM management action, and keeping them current in an era of rapidly changing resource use patterns, climatic and land health conditions, population growth, and public recreation on the public lands is critical to effective resource management and protection.

The budget request also includes program increases of \$2.4 million and \$2.0 million, respectively, in the Coal Management and Other Mineral Resources Management programs to return funding for these programs to roughly the 2011 enacted levels. The BLM will continue efforts to institute cost recovery fees within these programs, but the budget recognizes these fees may not be in place by the start of 2013. The 2013 budget request includes an increase of \$500,000 in the Soil, Water, and Air Management program for activities related to the Klamath Agreements authorized under existing law. Activities that could be undertaken include any additional follow-up regarding the evaluation of whether removal of four dams on the Klamath River is in the public interest, any related mitigation, and subsequent ecologic restoration. A \$3.3 million program increase is requested in the Bureau-wide Fixed Cost program to cover costs previously funded through program assessments. The requested increases in 2013 will properly align these costs with the appropriate budget subactivity so BLM will not have to continue to indirectly fund these costs through program assessments.

Program Reductions – Difficult choices were made during the formulation of the 2013 budget in order to support the initiatives and priorities described above. A \$15.8 million program decrease is proposed in the Rangeland Management program for grazing administration. However, the impact of this funding decrease will be mitigated by a new grazing administration fee of \$1 per animal unit month that the BLM proposes to implement on a pilot basis, which is estimated to generate

\$6.5 million in 2013 to assist BLM in processing grazing permits. The budget reduces programmatic funding for the Alaska Conveyance program by \$12.4 million. Interior will explore opportunities to further streamline the conveyance process and reduce costs in the program. A \$3.5 million program reduction is proposed in the Public Domain Forest Management program. The budget reduces the Youth in the Great Outdoors Initiative funding in the Soil, Water, and Air Management program by \$2.5 million, as BLM will continue to look for opportunities to involve youth in the management of the public lands with base funding. A program reduction of \$2.0 million is reflected in the Abandoned Mine Lands program. The request also includes a program reduction of \$1.2 million in the Oregon and California Reforestation and Forest Development program for inventory, monitoring, and forest treatment work.

Construction – The budget eliminates the Construction appropriation account with a proposed reduction of \$3.6 million. Beginning in 2013, construction projects will be funded in the newly named Deferred Maintenance and Capital Improvements program in the Management of Lands and Resources appropriation.

Land Acquisition – The budget proposes \$33.6 million for Land Acquisition, a program increase of \$11.2 million over the 2012 enacted level. The request for line-item acquisition projects is \$29.1 million, which will fund ten core projects in seven States and three collaborative projects in two States. Emergencies and Hardships are funded at \$1.5 million. A total of \$3.0 million is requested for Acquisition Management.

Budget Structure and Technical Changes – The 2013 budget combines the current Operations subactivity and Annual Maintenance subactivity in the Oregon and California Grant Lands appropriation into a single Annual Maintenance and Operations subactivity. The budget proposal also shifts the base funding in the O&C appropriation's Deferred Maintenance program into the newly named Deferred Maintenance and Capital Improvements program in the Management of Lands and Resources appropriation. All deferred maintenance and capital improvement projects on public lands and Western Oregon lands will be funded in the MLR appropriation in 2013. As previously noted, the stand-alone Construction account is eliminated. The budget also consolidates funding currently in the Land and Resource Information Systems program and the Information Systems Operations program into a new MLR Information Technology Management program.

Better Government – Secretary Salazar signed Secretarial Order 3315 on October 26, 2011, to better align certain functions of the Office of Surface Mining Reclamation and

Enforcement and BLM. In order to plan for this, Secretary Salazar has asked the Directors of OSM and BLM and other Interior officials to report by February 15, 2012 on the consultations with the Bureaus' employees, congressional committees, and interested parties such as Tribes, State regulatory officials, industry, and representatives of communities affected by coal mining.

LEGISLATIVE PROPOSALS

Oil and Gas – The Administration will submit legislation to repeal portions of Section 365 of the Energy Policy Act of 2005, beginning in 2014. Section 365 diverts mineral leasing receipts from the Treasury to a BLM Permit Processing Improvement Fund and also prohibits BLM from establishing cost recovery fees for processing applications for oil and gas permits to drill. On repeal of Section 365, BLM will promulgate regulations to establish cost recovery fees for applications for permits to drill.

The 2013 budget also assumes a legislative proposal to establish a new fee on non-producing Federal oil and gas leases. This is part of a broader Administration initiative to encourage energy development on lands already leased for development. A new \$4 per acre fee on non-producing Federal leases on Federal lands and waters will provide a financial incentive for oil and gas companies to either put their leases into production or relinquish them so the tracts can be leased to and developed by new parties. The proposed \$4 per acre fee would apply to all new leases and would be indexed annually.

Hardrock Mining – The 2013 budget includes two legislative proposals to reform hardrock mining on both public and private lands by addressing abandoned mine land hazards and providing a better return to the taxpayer from hardrock production on Federal lands.

The first component of this reform addresses abandoned hardrock mines across the Country through a new AML fee on hardrock production. Just as the coal industry is held responsible for abandoned coal sites, the Administration proposes to hold the hardrock mining industry responsible for abandoned hardrock mines. The legislative proposal will levy an AML fee on uranium and metallic mines on both public and private lands. The proposed AML fee on the production of hardrock minerals will be charged on the volume of material displaced after January 1, 2013. The receipts will be distributed by BLM through a competitive grant program to restore the most hazardous hardrock AML sites using an advisory council comprised of representatives of Federal agencies, States, Tribes, and non-government organizations. The advisory council will recommend objective criteria to rank AML projects to allocate funds for remediation to the sites with the most urgent environmental and safety hazards.

The proposed hardrock AML fee and reclamation program will operate in parallel with the coal AML reclamation program as part of a larger effort to ensure the Nation's most dangerous abandoned coal and hardrock AML sites are addressed by the industries that created the problems.

The second legislative proposal institutes a leasing process under the Mineral Leasing Act of 1920 for certain minerals—gold, silver, lead, zinc, copper, uranium, and molybdenum—currently covered by the General Mining Law of 1872. After enactment, mining for these metals on Federal lands would be governed by the new leasing process and subject to annual rental payments and a royalty of not less than five percent of gross proceeds. Half of the receipts would be distributed to the States in which the leases are located and the remaining half would be deposited in the Treasury. Existing mining claims would be exempt from the change to a leasing

system, but would be subject to increases in the annual maintenance fees under the General Mining Law of 1872. However, holders of existing mining claims for these minerals could voluntarily convert their claims to leases. The Office of Natural Resources Revenue will collect, account for, and disburse the hardrock royalty receipts.

Federal Land Transaction Facilitation Act – The budget proposes to reauthorize the Act, which expired in July 2011, and allow lands identified as suitable for disposal in recent land use plans to be sold using the FLTFA authority. The FLTFA sales revenues would continue to be used to fund the acquisition of environmentally sensitive lands and the administrative costs associated with conducting sales.

Fixed Costs – Fixed costs of \$11.9 million are fully funded in the request.

SUMMARY OF BUREAU APPROPRIATIONS

(all dollar amounts in thousands)

Comparison of 2013 Request with 2012 Enacted

	2012 Enacted		2013 Request		Change	
	FTE	Amount	FTE	Amount	FTE	Amount
Current						
Management of Lands and Resources	5,619	960,361	5,400	952,017	-219	-8,344
Construction	8	3,570	0	0	-8	-3,570
Land Acquisition.....	11	22,344	11	33,575	0	+11,231
Oregon and California Grant Lands.....	832	111,864	826	112,043	-6	+179
Range Improvements	47	10,000	47	10,000	0	0
Service Charges, Deposits and Forfeitures <i>(Indefinite)</i> ..	178	31,063	178	31,053	0	-10
Minus SCDF Offset	0	-31,063	0	-31,053	0	+10
Miscellaneous Trust Funds <i>(Indefinite)</i>	97	19,700	97	19,700	0	0
Subtotal, Current.....	6,792	1,127,839	6,559	1,127,335	-233	-504
Permanent and Trust						
Miscellaneous Trust Funds	11	1,800	11	1,800	0	0
Miscellaneous Permanent Payments.....	15	51,887	0	21,511	-15	-30,376
Permanent Operating Funds						
Operations and Maintenance of Quarters.....	2	610	2	640	0	+30
Recreation Fee Demonstration.....	123	17,500	123	18,000	0	+500
Forest Ecosystems Health and Recovery	55	4,603	55	4,816	0	+213
Expenses, Road Maintenance Deposits	5	2,000	5	2,000	0	0
Timber Sale Pipeline Restoration Fund.....	34	3,883	34	2,110	0	-1,773
Southern Nevada Land Sales	50	46,512	50	99,365	0	+52,853
Southern Nevada Earnings on Investments.....	0	0	0	1,000	0	+1,000
Lincoln County Land Sales.....	5	26	5	493	0	+467
Interest, Lincoln County Land Sales Act	0	0	0	180	0	+180
Owyhee Land Acquisition Account	0	0	0	2,189	0	+2,189
Silver Saddle Endowment	0	360	0	0	0	-360
Carson City Special Account	0	219	0	0	0	-219
Stewardship Contract, Excess Receipts.....	0	30	0	20	0	-10
Navy Petroleum Reserve #2 Lease Revenues.....	3	5	3	29	0	+24
Geothermal Lease and Use Auth. Fund.....	42	0	5	0	-37	0
Oil and Gas Permit Processing Imp. Fund	165	19,515	165	18,926	0	-589
Federal Land Disposal Account.....	1	0	1	4,800	0	+4,800
White Pine (85 percent special account)	0	201	0	207	0	+6
Subtotal, Permanent Operating Funds	485	95,464	448	154,775	-37	+59,311
Helium Fund.....	51	174,105	51	174,900	0	+795
Offsetting Collections	0	-174,105	0	-174,900	0	-795
Working Capital Fund	25	49,000	25	50,000	0	+1,000
Offsetting Collections	0	-49,000	0	-50,000	0	-1,000
Subtotal, Permanent and Trust.....	587	149,151	535	178,086	-52	+28,935
Reimbursable and Other FTE.....	3,110	0	3,271	0	+161	0
TOTAL, BUREAU OF LAND MANAGEMENT.....	10,489	1,276,990	10,365	1,305,421	-124	+28,431

HIGHLIGHTS OF BUDGET CHANGES

By Appropriation Activity/Subactivity

APPROPRIATION: Management of Lands and Resources

	2011 Actual	2012 Enacted	2013 Request	Change
Land Resources				
Soil, Water, and Air Management	62,989	46,229	44,477	-1,752
Rangeland Management	76,915	87,392	72,327	-15,065
Public Domain Forest Management	9,945	9,714	6,318	-3,396
Riparian Management	22,805	22,682	22,896	+214
Cultural Resources Management	16,816	16,105	17,325	+1,220
Wild Horse and Burro Management	75,753	74,888	77,068	+2,180
Subtotal, Land Resources	265,223	257,010	240,411	-16,599
Wildlife and Fisheries Management				
Wildlife Management	37,430	36,914	52,175	+15,261
Fisheries Management	13,599	13,333	13,440	+107
Subtotal, Wildlife/Fisheries Mgmt...	51,029	50,247	65,615	+15,368
Threatened / Endangered Species Mgmt..	22,159	21,633	21,812	+179
Recreation Management				
Wilderness Management	19,664	18,392	18,568	+176
Recreation Resources Management	49,153	49,074	51,722	+2,648
Subtotal, Recreation Management	68,817	67,466	70,290	+2,824
Energy and Minerals Management				
Oil and Gas Management	70,130	72,466	46,055	-26,411
Permit Processing Fees	45,500	32,500	32,500	0
Offsetting Collections (Fees)	-31,228	-32,500	-32,500	0
Inspection Fees	0	0	47,950	+47,950
Offsetting Collections (Inspection Fees)	0	0	-47,950	-47,950
Coal Management	9,724	7,043	9,529	+2,486
Other Mineral Resources Mgmt	10,597	8,402	10,502	+2,100
Renewable Energy	[21,735]	19,703	26,824	+7,121
Subtotal, Energy / Minerals Mgmt	104,723	107,614	92,910	-14,704
Realty and Ownership Management				
Alaska Conveyance and Lands	29,108	29,061	16,741	-12,320
Cadastral Survey	12,392	11,996	12,105	+109
Land / Realty Management	56,400	32,605	35,902	+3,297
Subtotal, Realty / Ownershp Mgmt...	97,900	73,662	64,748	-8,914
Resource Protection and Maintenance				
Resource Management Planning	42,426	38,060	42,748	+4,688
Abandoned Mine Lands	[15,929]	19,819	17,903	-1,916
Resource Protection / Law Enfrmnt	27,686	27,024	27,181	+157
Hazardous Materials Management	17,028	16,641	16,758	+117
Subtotal, Resource Protection	87,139	101,544	104,590	+3,046
Transportation and Facilities Maintenance				
Operations	6,047	0	0	0
Annual Maintenance	31,879	0	0	0
Deferred Maintenance and				
Capital Improvements	34,429	29,960	31,066	+1,106
Annual Maintenance and Ops Costs	[37,926]	41,160	41,479	+319
Subtotal, Trans / Facilities Maint	72,355	71,120	72,545	+1,425

APPROPRIATION: Management of Lands and Resources (continued)

	2011 Actual	2012 Enacted	2013 Request	Change
Land /Resource Information System.....	16,697	15,827	0	-15,827
Mining Law Administration				
Administration	36,696	39,696	39,696	0
Offsetting Fees	-36,696	-39,696	-39,696	0
Subtotal, Mining Law Admin.....	0	0	0	0
Workforce and Organizational Support				
Information Systems Operations	15,343	14,673	0	-14,673
Administrative Support	50,287	49,130	49,526	+396
Bureau-wide Fixed Costs	91,307	91,161	99,325	+8,164
Information Technology Mgmt.....	0	0	27,648	+27,648
Subtotal, Support	156,937	154,964	176,499	+21,535
Communications Site Management				
Communications Site Management	2,000	2,000	2,000	0
Offsetting Fees	-2,000	-2,000	-2,000	0
Subtotal, Comm. Site Mgmt	0	0	0	0
Challenge Cost Share.....	1,202	7,455	7,482	+27
National Landscape Conservation System				
National Monuments and				
National Conservation Areas	31,870	31,819	35,115	+3,296
TOTAL APPROPRIATION	976,051	960,361	952,017	-8,344
Net Transfer	-22	0	0	0
TOTAL APPROPRIATION	976,029	960,361	952,017	-8,344

Detail of Budget Changes

	2013 Change from 2012 Enacted		2013 Change from 2012 Enacted
TOTAL APPROPRIATION	-8,344		
Land Resources.....	-16,599	Wildlife and Fisheries Management.....	+15,368
Soil, Water, and Air Management	-1,752	Wildlife Management	+15,261
Youth in the Great Outdoors.....	-2,500	Sage Grouse Conservation Activities	+15,000
Klamath Basin Restoration.....	+500	Fixed Costs	+261
Fixed Costs	+248	Fisheries Management.....	+107
Rangeland Management	-15,065	Fixed Costs	+107
Grazing Permit Renewal and Monitoring	-15,789		
Administrative Fee Collection (<i>Proposed</i>)	+6,500	Threatened/Endangered Species Mgmt.....	+179
Administrative Fee Collection (<i>Offset</i>)	-6,500	Fixed Costs	+179
Fixed Costs	+724		
Public Domain Forest Management	-3,396	Recreation Management	+2,824
General Program Decrease.....	-3,453	Wilderness Management.....	+176
Fixed Costs	+57	Fixed Costs	+176
Riparian Management	+214	Recreation Resources Management.....	+2,648
Fixed Costs	+214	NLCS-Wild and Scenic Rivers	
Cultural Resources Management.....	+1,220	America's Great Outdoors.....	+400
America's Great Outdoors	+1,081	NLCS-Nat'l Scenic and Historical Trails	
Fixed Costs	+139	America's Great Outdoors.....	+700
Wild Horse and Burro Management	+2,180	Off-Highway Vehicle Management	
R&D on Population Control/Contraceptives ...	+2,000	America's Great Outdoors.....	+1,100
Fixed Costs	+180	Fixed Costs	+448

Detail of Budget Changes
Management of Lands and Resources (continued)

	2013 Change from 2012 Enacted		2013 Change from 2012 Enacted
Energy and Minerals Management	-14,704	Resource Protection/Law Enforcement.....	+157
Oil and Gas Management	-26,411	Fixed Costs	+157
General Program Activities.....	+8,016	Hazardous Materials Management	+117
Leasing Reform	+5,000	Fixed Costs	+117
Decrease Funding Due to Shift		Transportation and Facilities Maintenance	+1,425
of Inspection Costs to Fees	-37,950	Deferred Maintenance and	
Shift Geothermal Funds to Renewable Energy .	-2,000	Capital Improvements	+1,106
Permit Processing Fees	+32,500	Transfer from O&C Deferred Maintenance	+1,039
Permit Processing Offsetting Collections.....	-32,500	Fixed Costs	+67
Inspection Fee	+47,950	Annual Maintenance and Operation Costs.....	+319
Inspection Fee Offsetting Collections	-47,950	Fixed Costs	+319
Fixed Costs	+523		
Coal Management	+2,486	Land and Resource Information Systems.....	-15,827
Inspections and Enforcement.....	+2,400	Transfer to IT Management and	
Fixed Costs	+86	Lands and Realty Management.....	-15,827
Other Mineral Resources.....	+2,100		
Inspections and Enforcement.....	+2,000	Workforce and Organizational Support.....	+21,535
Fixed Costs	+100	Information Systems Operations	-14,673
Renewable Energy.....	+7,121	Transfer to IT Management.....	-14,673
Shift Base Geothermal Funds from Oil		Administrative Support	+396
and Gas Program to Renewable Energy	+2,000	Fixed Costs	+396
Geothermal Management and		Bureau-wide Fixed Costs	+8,164
Renewable Energy Studies.....	+5,000	Realign Base Funding	+3,252
Fixed Costs	+121	Fixed Costs	+4,912
		Information Technology Management.....	+27,648
Realty and Ownership Management	-8,914	Transfer from Information Systems Ops	+14,673
Alaska Conveyance and Lands	-12,320	Transfer from Land / Resources Info System.....	+12,827
General Program Decrease.....	-12,439	Fixed Costs	+148
Fixed Costs	+119		
Cadastral Survey	+109	Challenge Cost Share.....	+27
Fixed Costs	+109	Fixed Costs	+27
Lands and Realty Management	+3,297		
Transfer from Land and Resource		National Monuments and	
Information System.....	+3,000	National Conservation Areas	+3,296
Fixed Costs	+297	America's Great Outdoors	+3,000
		Fixed Costs	+296
Resource Protection and Maintenance.....	+3,046		
Resource Management Planning	+4,688	Subtotals for Changes Across Multiple Subactivities	
Accelerate High Priority Plans	+4,366	Fixed Costs	[+10,933]
Fixed Costs	+322		
Abandoned Mine Lands.....	-1,916		
General Program Decrease	-2,000		
Fixed Costs	+84		

APPROPRIATION: Construction

	2011 Actual	2012 Enacted	2013 Request	Change
TOTAL APPROPRIATION	4,617	3,570	0	-3,570

Detail of Budget Changes

2013 Change
from 2012 Enacted

TOTAL APPROPRIATION	-3,570
Project Funding.....	-3,570

APPROPRIATION: Land Acquisition

	2011 Actual	2012 Enacted	2013 Request	Change
Acquisitions	18,584	18,969	29,077	+10,108
Emergencies and Hardships.....	1,497	1,498	1,498	0
Acquisition Management.....	1,875	1,877	3,000	+1,123
TOTAL APPROPRIATION	21,956	22,344	33,575	+11,231

See Appendix F for proposed 2013 land acquisition projects.

2013 Change
from 2012 Enacted

TOTAL APPROPRIATION	+11,231
Line-Item Projects.....	+10,108
Project Funding.....	+1,624
Collaborative Landscape Acquisition Projects..	+5,984
Acquire Hunting and Fishing	
Access Easements	+2,500
Acquisition Management.....	+1,123
Strengthen Program Management.....	+1,106
Fixed Costs	+17

APPROPRIATION: Oregon and California Grant Lands

	2011 Actual	2012 Enacted	2013 Request	Change
W. Oregon Resources Management	96,929	97,899	99,003	+1,104
W. Oregon Info/Resources Data Sys.....	2,124	1,923	1,941	+18
W. Oregon Transp and Facilities Maint....	11,136	10,984	10,030	-954
W. Oregon Construction/ Acquisition.....	314	310	313	+3
W. Oregon NLCS	831	748	756	+8
TOTAL APPROPRIATION	111,334	111,864	112,043	+179

Detail of Budget Changes**2013 Change
from 2012 Enacted**

TOTAL APPROPRIATION	+179
Western Oregon Resources Management.....	+1,104
Forest Management.....	+1,801
Secretary's Western Oregon Strategy.....	+1,500
Fixed Costs	+301
Reforestation and Forest Development.....	-1,061
General Program Decrease.....	-1,211
Fixed Costs	+150
Other Forest Resources Management.....	+330
Fixed Costs	+330
Resource Management Planning	+34
Fixed Costs	+34
Western Oregon Info/Resources Data System	+18
Fixed Costs	+18
Western Oregon Transportation/Facilities Mgmt....	-954
Operations	-2,081
Transfer to Ops and Annual Maintenance.....	-2,081
Annual Maintenance.....	-7,864
Transfer to Ops and Annual Maintenance.....	-7,864
Deferred Maintenance	-1,039
Transfer to MLR Deferred Maintenance and Capital Improvements	-1,039
Operations and Annual Maintenance	+10,030
Transfer from Ops and Annual Maintenance....	+9,945
Fixed Costs	+85
Western Oregon Construction/ Acquisition.....	+3
Fixed Costs	+3
Western Oregon National Monuments and National Conservation Areas	+8
Fixed Costs	+8
Subtotals for Changes Across Multiple Subactivities	
Fixed Costs	[+929]

APPROPRIATION: Range Improvements

	2011 Actual	2012 Enacted	2013 Request	Change
Improvements to Public Lands	7,873	7,873	7,873	0
Farm Tenant Act Lands	1,527	1,527	1,527	0
Administrative Expenses	600	600	600	0
TOTAL APPROPRIATION	10,000	10,000	10,000	0

APPROPRIATION: Service Charges, Deposit, and Forfeitures

	2011 Actual	2012 Enacted	2013 Request	Change
Rights-of-Way Processing	16,348	16,400	16,400	0
Energy and Minerals Cost Recovery	3,978	2,900	2,900	0
Recreation Cost Recovery	809	1,500	1,500	0
Adopt-a-Horse Program	402	450	450	0
Repair of Damaged Lands	3,449	2,633	2,633	0
Cost Recoverable Realty Cases.....	733	900	900	0
Timber Purchaser Expenses.....	16	30	20	-10
Commercial Film /Photography Fees	215	165	165	0
Copy Fees	1,031	2,085	2,085	0
Trans Alaska Pipeline	3,832	4,000	4,000	0
TOTAL APPROPRIATION	30,813	31,063	31,053	-10
Offsets	-30,813	-31,063	-31,053	+10
TOTAL APPROPRIATION	0	0	0	0

APPROPRIATION: Miscellaneous Trust Funds

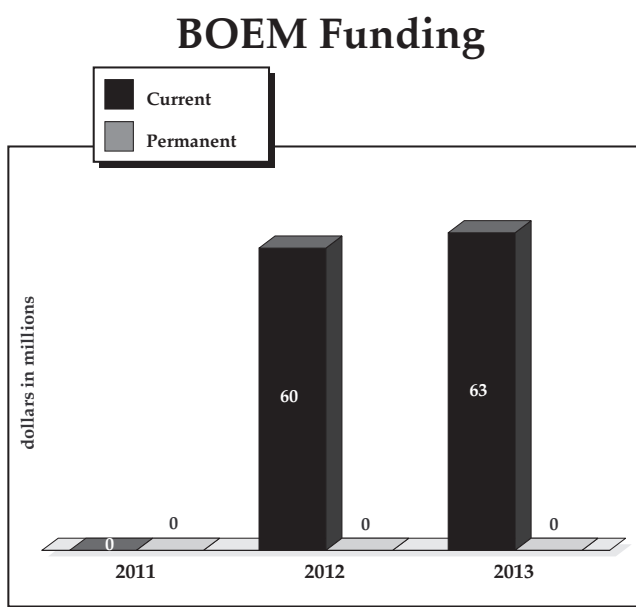
	2011 Actual	2012 Enacted	2013 Request	Change
TOTAL APPROPRIATION	25,435	19,700	19,700	0

Mission—The Bureau of Ocean Energy Management manages the development of the Nation's offshore resources in an environmentally and economically responsible way.

Budget Overview—The 2013 budget request for BOEM is \$164.1 million, including \$62.7 million in current appropriations and \$101.4 million in offsetting collections from rental receipts and cost recoveries. The BOEM estimates staffing will equal 572 full time equivalents in 2013. The 2013 budget request is a \$3.3 million increase above the 2012 enacted level. The change reflects increases of \$1.4 million for renewable energy auction support services and \$700,000 for high priority environmental studies, both in support of the New Energy Frontier initiative. The BOEM budget provides the necessary resources to implement the reorganization of the former Bureau of Ocean Energy Management, Regulation and Enforcement into two distinct and independent agencies, BOEM and the Bureau of Safety and Environmental Enforcement.

The 2013 estimate of \$98.8 million for offsetting collections assumes a small decrease of \$202,000 from the 2012 estimate for rental receipts and \$2.6 million for cost recovery fees, an increase of \$524,000. The net result is an increase of \$322,000 from the 2012 estimate for a total of \$101.4 million.

Offshore Oil and Gas Reorganization and Reforms — The Deepwater Horizon explosion and resulting oil spill shed light on weaknesses in the Federal offshore energy regulatory system, including conflicting missions within the former Minerals Management Service. In the aftermath of the oil spill, the Department instituted a phased reorganization dividing the organization into three separate components – development, regulation, and revenue collection. This reorganization has fundamentally transformed offshore oil and gas regulation and the approach to regulating this industry. It provides each of the new entities with clear areas of focus and new resources necessary to fulfill the missions governing their operations. The BOEM is responsible for managing overall development of energy resources on the Outer Continental Shelf. The BSEE oversees safety and environmental enforcement for OCS operations to



ensure compliance with applicable rules and regulations. The Office of Natural Resources Revenue collects and disburses energy and mineral leasing royalty and other revenues owed by onshore and offshore lessees. The ONRR provides a return to the U.S. taxpayer from the development and production of these energy resources.

On October 1, 2011, BOEM began operating as a separate bureau responsible for managing development of the Nation's offshore energy resources in an environmentally and economically responsible way. Functions carried out by BOEM include offshore leasing, resource evaluation, review and administration of oil and gas exploration and development plans, renewable energy development, economic analysis, National Environmental Policy Act analysis, and environmental studies. The BOEM is committed to balanced decisionmaking regarding the development of domestic offshore conventional and renewable energy resources, including ensuring that appropriate consideration of the environment is given in every case.

As part of the reforms, BOEM implemented a new recusal policy for employees to deal with real and perceived conflicts of interest; launched a full review of the use of

BUREAU OF OCEAN ENERGY MANAGEMENT FACTS

- Established by Secretarial Order in 2010.
- Protects the environment while ensuring the safe development of the Nation's offshore energy and marine mineral resources.
- As of January 2012, BOEM administers 6,560 active oil and gas leases on approximately 35 million OCS acres.
- In calendar year 2010, OCS offshore Alaska, California, and Gulf of Mexico leases accounted for more than ten percent of America's domestic natural gas production and about 30 percent of domestic oil production.

NEPA categorical exclusions; created multiple implementation teams to analyze various aspects of the bureau's regulatory structure to help implement the reform agenda; and solicited public comment during environmental review of programs for both oil and gas and renewable energy. The BOEM continues to ensure that science-based decisionmaking is transparent and accessible.

The BOEM has three regional offices located in New Orleans, Louisiana; Camarillo, California; and Anchorage, Alaska. These regional offices are integral to oil and gas resource evaluations, environmental studies and assessments, leasing activities, review of exploration plans and development plans, fair market value determinations, and geological and geophysical analysis.

New Energy Frontier Initiative – In March 2011, President Obama released his *Blueprint for a Secure Energy Future* that includes a three-part strategy to produce more energy with domestic resources, reduce reliance on foreign energy sources, and lead the development of clean alternative fuels sources and greater efficiency. In support of the *Blueprint*, the Department is pursuing a coordinated strategy for balanced and responsible development of conventional and renewable energy on Federal lands and in Federal waters. The BOEM's 2013 budget request fully supports this initiative.

Ocean Energy Management – The 2013 President's budget includes \$164.1 million for renewable and conventional energy activities, an increase of \$1.4 million for renewable energy auction support services and \$700,000 for high priority environmental studies in the Gulf of Mexico, primarily to support conventional energy development. This budget request funds the leasing, exploration, development, and management of the Nation's offshore energy resources.

The 2013 request includes \$34.4 million, an increase of \$1.4 million from the 2012 enacted level, for renewable

energy development activities such as the siting and construction of offshore wind farms on the OCS as well as other forms of renewable energy such as wave and current. The Energy Policy Act of 2005 authorizes BOEM to grant leases, easements, or rights-of-way for activities on the OCS that produce or support production, transportation, or transmission of energy from renewable sources.

In 2010, Secretary Salazar signed the first lease for commercial energy development on the OCS, and in April 2011, the Construction and Operations Plan was approved for the historic Cape Wind project, the first commercial wind turbine farm on the OCS.

In February 2011, as part of the Smart from the Start initiative, the Department identified four initial, high priority wind energy areas offshore Delaware, Maryland, New Jersey, and Virginia, totaling 122 square nautical miles.

Through the designation of wind energy areas, Interior is supporting the responsible development of this abundant renewable resource by coordinating early environmental reviews and conducting large scale planning to lessen the time required for subsequent review, leasing, and approval of offshore wind turbine facilities. This forward thinking approach encourages expedient development of American offshore wind resources. The BOEM expects to begin the commercial leasing process in these States in 2012.

The Smart from the Start initiative adjusts the renewable energy leasing process by delaying the detailed environmental impact statements on project construction and operation until after the issuance of renewable energy leases instead of before the lease. This will allow BOEM to conduct auctions significantly sooner than originally anticipated. As the Bureau of Ocean Energy Management is still developing the technical expertise to conduct these auctions, the 2013 budget request includes a program increase of \$1.3 million to fund auction support contracts

and the purchase of wind resource data. With these advancements, BOEM anticipates a substantial increase in leasing activity in 2013 on OCS sites for commercial generation of renewable energy. This in turn supports the Administration's goals for production of energy from domestic renewable resources.

The budget consists of \$129.8 million for BOEM's conventional energy program activity, \$2.0 million above 2012. Major conventional energy initiatives initiated in 2012 will continue, including the proposed Outer Continental Five-Year Shelf Oil and Gas Leasing Program for 2012-2017. Announced in November 2011, the proposed five year plan will open to exploration and development more than 75 percent of undiscovered technically recoverable oil and gas resources estimated in Federal offshore areas. The proposed program offers substantial acreage and includes six offshore areas with currently active leases and known or anticipated hydrocarbon potential. This proposed program schedules 15 potential lease sales for the five year period: 12 in the Gulf of Mexico and three off the coast of Alaska, in the Cook Inlet and in the Beaufort and Chukchi Seas. The Alaska sales are scheduled late in the five year period to facilitate further scientific study and data collection; long-term planning for spill response, preparedness and infrastructure; and protection of sensitive environmental resources, including those accessed by Native Alaskans for subsistence uses.

Improving environmental safeguards and strengthening scientific analyses related to development decisions are high priorities for BOEM in 2013. The 2013 President's budget request includes a programmatic increase of \$700,000 for baseline environmental characterization and monitoring capabilities for proposed lease sales. These studies will provide critical data including physical oceanography, deep sea ecology, social science, and the assessment of coral and chemosynthetic communities to support decisionmaking related to current and future leasing programs and permitting activities.

The 2013 budget request for environmental assessment supports BOEM's increasing workload along all coasts and across all scientific disciplines for both traditional and renewable energy development. In 2011, the Department established a Scientific Integrity Policy to ensure and maintain the soundness of scientific and scholarly

activities used in decisionmaking. The BOEM has fully adopted this policy and is committed to incorporating independent, peer-reviewed environmental research, critical during every stage of the lease sale and permit review decisionmaking processes.

Within the amounts identified previously, the request includes \$13.3 million for General Support activities, a programmatic decrease of \$122,000. General Support includes administrative functions such as finance, human resources, information management, procurement, facilities management, and similar support services. These savings will be realized by reducing the administrative service needs.

LEGISLATIVE PROPOSAL

Oil and Gas—The Administration will submit a legislative proposal to encourage energy production on lands and waters leased for development. A \$4.00 per acre fee on non-producing Federal leases on the OCS will provide a financial incentive for oil and gas companies to either get their leases into production or relinquish them so the tracts can be leased to and developed by new parties. The proposed \$4.00 per acre fee would apply to all new leases and would be indexed annually. In October 2008, the Government Accountability Office issued a report critical of past efforts by Interior to ensure companies diligently develop their Federal leases. Although the report focused on administrative actions Interior could undertake, this proposal requires legislative action similar to other non-producing fee proposals considered by the Congress in the last several years. The fee is projected to generate revenues to the U.S. Treasury of \$13.0 million in 2013 and \$783.0 million over ten years.

The Administration also proposes to repeal Section 344 of the Energy Policy Act of 2005. Section 344 mandated royalty incentives for certain "deep gas" production on the OCS. This change will help ensure Americans receive fair value for federally owned mineral resources. Based on current oil and gas price projections, the budget does not assume savings from this change; however, the proposal could generate savings to the Treasury if future natural gas prices drop below current projections.

Fixed Costs—Fixed costs of \$1.5 million are fully funded.

SUMMARY OF BUREAU APPROPRIATIONS
(all dollar amounts in thousands)

Comparison of 2013 Request with 2012 Enacted

	2012 Enacted		2013 Request		Change	
	FTE	Amount	FTE	Amount	FTE	Amount
Current						
Ocean Energy Management	498	59,696	498	62,701	0	+3,005
Subtotal, Current	498	59,696	498	62,701	0	+3,005
Offsetting Collections	74	101,082	74	101,404	0	+322
TOTAL, BUREAU OF OCEAN ENERGY MGMT						
(w/ offsetting collections)	572	160,778	572	164,105	0	+3,327

HIGHLIGHTS OF BUDGET CHANGES

By Appropriation Activity/Subactivity

APPROPRIATION: Ocean Energy Management

	2011 Actual*	2012 Enacted	2013 Request	Change
Renewable Energy				
Appropriation.....	13,609	7,454	8,764	+1,310
Offsetting Collections	9,538	15,231	15,282	+51
Subtotal, Renewable Energy	23,147	22,685	24,046	+1,361
Conventional Energy				
Appropriation.....	34,582	24,301	24,594	+293
Offsetting Collections	14,367	22,944	23,018	+74
Subtotal, Conventional Energy	48,949	47,245	47,612	+367
Environmental Assessment				
Appropriation.....	22,699	15,403	16,159	+756
Offsetting Collections	29,190	46,613	46,779	+166
Subtotal, Environmental Assessment	51,889	62,016	62,938	+922
General Support Services				
Appropriation.....	13,314	3,476	4,018	+542
Offsetting Collections	5,830	9,309	9,327	+18
Subtotal, General Support Services..	19,144	12,785	13,345	+560
Executive Direction				
Appropriation.....	13,510	9,062	9,166	+104
Offsetting Collections	4,374	6,985	6,998	+13
Subtotal, Executive Direction	17,884	16,047	16,164	+117
Total Appropriation	97,714	59,696	62,701	+3,005
Total Offsetting Collections	63,299	101,082	101,404	+322
TOTAL APPROPRIATION <i>(w/o rescissions)</i>	161,013	160,778	164,105	+3,327
Rescission of Prior Year Balances.....	-12,500	0	0	0
TOTAL APPROPRIATION <i>(w/ rescissions)</i>	148,513	160,778	164,105	+3,327

* Figures shown for 2011 are estimates provided for comparison. Funding in 2011 was provided to the BOEMRE, which was reorganized into BOEM and BSEE.

Detail of Budget Changes

	2013 Change from 2012 Enacted		2013 Change from 2012 Enacted
TOTAL APPROPRIATION	+3,327		
Renewable Energy	+1,361	General Support Services.....	+560
Renewable Energy Auction Support Services.....	+1,296	Administrative Reduction.....	-122
Fixed Costs	+65	Fixed Costs	+682
Conventional Energy	+367	Executive Direction.....	+117
Fixed Costs	+367	Fixed Costs	+117
Environmental Assessment	+922	Subtotal for Changes Across Multiple Activities	
Environmental Studies	+700	Fixed Costs	[+1,453]
Fixed Costs	+222		



BUREAU OF SAFETY AND ENVIRONMENTAL ENFORCEMENT

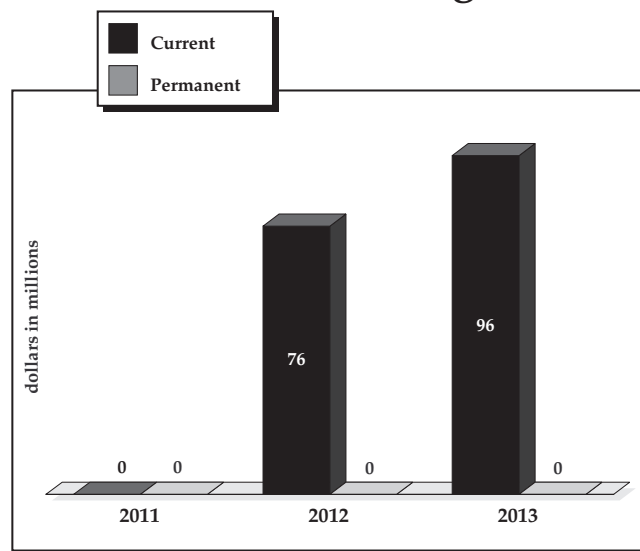
Mission – The Bureau of Safety and Environmental Enforcement works to promote safety, protect the environment, and conserve resources through vigorous regulatory oversight and enforcement.

Budget Overview – The 2013 President's budget request for the Bureau of Safety and Environmental Enforcement is \$222.2 million, including \$96.3 million in current appropriations and \$125.9 million in offsetting collections from rental receipts, cost recoveries, and inspection fees. The BSEE estimates staffing will equal 766 full time equivalents in 2013. The 2013 budget request is a \$24.8 million increase above the 2012 enacted level, including an increase of \$20.0 million in current appropriations.

The request of \$125.9 million in offsetting collections is a net increase of \$4.8 million above 2012. The 2013 estimate includes a small decrease of \$108,000 for rental receipts; \$8.4 million for cost recovery fees, an increase of \$1.9 million; and \$65.0 million in inspection fees, an increase of \$3.0 million above the 2012 enacted level.

Offshore Oil and Gas Reorganization and Reforms – The Deepwater Horizon explosion and resulting oil spill shed light on weaknesses in the Federal offshore energy regulatory system, including conflicting missions within the former Minerals Management Service. In the aftermath of the oil spill, the Department of the Interior instituted a phased reorganization dividing the organization into three separate components – development, regulation, and revenue collection. This reorganization has fundamentally transformed offshore oil and gas regulation and the approach to regulating this industry. It provides each of the new entities with clear areas of focus and new resources necessary to fulfill the missions governing their operations. The BSEE oversees safety and environmental enforcement for Outer Continental Shelf operations to ensure compliance with applicable rules and regulations. The Bureau of Ocean Energy Management is responsible for managing overall development of energy resources on the OCS. The Office of Natural Resources Revenue collects and disburses energy and mineral royalties and other revenues owed by onshore and offshore lessees. The ONRR provides a return to the

BSEE Funding



American taxpayer from the development and production of these energy resources.

The functions of BSEE include oil and gas permitting, facility inspections, regulations and standards development, safety research, field operations, environmental compliance and enforcement, review of operator oil spill response plans, production and development, conservation, and operating a national training center for inspectors.

The bureau conducts thousands of inspections of OCS facilities and operations – covering tens of thousands of safety and pollution prevention components – to prevent offshore accidents and spills and to ensure a safe working environment. The bureau strives to conduct annual inspections of all oil and gas operations on the OCS, while focusing an increasing proportion of resources on the highest risk operations in order to examine safety equipment designed to prevent blowouts, fires, spills, and other major accidents.

New Energy Frontier Initiative – In March 2011, President Obama released his *Blueprint for a Secure Energy Future*

BUREAU OF SAFETY AND ENVIRONMENTAL ENFORCEMENT FACTS

- Established by Secretarial Order in 2010.
- Conducts more than 20,000 inspections per year to ensure the safety of over 3,400 offshore oil and gas drilling and production facilities.
- Operates the only facility in the world that can test full sized oil spill response equipment with a variety of crude oils and refined petroleum products under reproducible marine conditions.
- Works with the Ocean Energy Safety Advisory Committee to facilitate collaboration and coordination among government, industry, and academia on issues related to offshore drilling and workplace safety, well intervention and oil spill prevention, blowout containment, and oil spill response.
- Conducts research regarding operational safety and pollution prevention technologies related to offshore oil, natural gas, and renewable energy exploration and development.

that includes a three-part strategy to produce more energy with domestic resources, reduce reliance on foreign energy sources, and lead the development of clean alternative fuels sources and greater efficiency.

The BSEE 2013 budget fully supports the President's *Blueprint* by enabling the safe and environmentally responsible development of the Nation's vast offshore energy resources. Until offshore renewable energy facilities are constructed, BSEE will focus its resources on conventional energy programs. Funds will be used to recruit expert engineers, scientists, and oil spill response specialists to support the development of strong scientific information and timely and thorough review of permits. The 2013 budget request increases funding for operational offshore safety, oil spill response initiatives, environmental enforcement, and the development of modern electronic systems to increase the efficiency and effectiveness of offshore inspection and oversight activities.

Offshore Safety and Environmental Enforcement—The 2013 budget request includes \$207.3 million for offshore safety and environmental enforcement programs, primarily for conventional energy activities, an increase of \$24.8 million over 2012.

The request increases programmatic funding for operational safety by \$4.5 million. This will support efforts to strengthen regulatory and oversight capability along the OCS and increase the capacity in existing offices in multiple disciplines to adequately staff regulatory, safety management, structural and technical support, and oil spill response programs.

The Deepwater Horizon incident revealed the risks associated with drilling high-pressure wells in deep water and the importance of well design to ensure the safety of offshore operations. The 2013 request includes a program

increase of \$1.4 million to study the factors involved in well structure integrity. This will ensure well design, cementing activities, and well structure tests identify weaknesses and protect the environment. This increase will be complemented by a program increase of \$2.0 million used to research offshore safety systems and operations. As the industry pushes into deeper water and drills more high pressure/high temperature wells, BSEE's safety and enforcement protocols require constant revision. The BSEE will use this increase to keep pace with industry's advancement and ensure state-of-the-art equipment and operations employed by industry meet established safety standards.

The Environmental Enforcement Division was established in 2012 to foster environmental compliance, inspection, investigation, and enforcement programs will assure the highest level of environmental standards for all offshore energy activities. In 2013, the development of this important function will benefit from a program increase of \$4.2 million used to: hire, train, equip, and support personnel to conduct environmental inspections, Safety and Environmental Management System audits, and investigations; take enforcement actions; and evaluate the effectiveness of environmental mitigation.

A program increase of \$2.3 million will launch an e-Inspection initiative. In response to recommendations from the Outer Continental Shelf Safety Oversight Board, this multi-faceted initiative will support development of a modern electronic system for conducting offshore inspections to ultimately replace the out dated paper-based inspection process. This funding will be used to collect more timely and accurate inspection data, enhance the tools and information available to inspectors while offshore, and reduce data processing costs associated with transferring inspection data on paper forms to BSEE's database.

Inspection activities will also benefit from a program increase of \$3.7 million to support the new National Offshore Training and Learning Center. This will provide contemporary learning and development opportunities for BSEE's inspectors and engineers and is designed to enhance safety and environmental stewardship principles using the best science and technology to evaluate, protect, and preserve the human, marine, and coastal environments.

Each of these functions and the bureau's existing activities will be supported by a program increase of \$5.0 million for administrative support for new engineers, inspectors, scientists, and other professionals in the reorganized and expanded program.

Oil Spill Research – This program supports oil pollution research and other activities related to oil spill prevention, as authorized by the Oil Pollution Act of 1990. The Oil Spill Research program played a pivotal role in initiating applied research used to support decisionmaking pertain-

ing to offshore energy development. This is especially true regarding the program's long history of research in oil spill containment and response in the field, as well as training at its large test tank facility, the Oil and Hazardous Materials Simulated Environmental Test Tank, located in Leonardo, New Jersey. The test facility is the only one of its type in the world providing full-scale equipment and methodology testing for offshore spills in a safe, controlled environment.

The 2013 budget proposes total funding of \$14.9 million, equal to the 2012 enacted level. The request will address key knowledge gaps in spill containment and control in deep water environments as well as on the surface. The studies will leverage other funds through cooperative efforts with the National Oceanic and Atmospheric Administration, the Department of the Navy, and the U.S. Coast Guard. Oil Spill Research funding will also support research in Arctic environments.

Fixed Costs – Fixed costs of \$1.8 million are fully funded.

SUMMARY OF BUREAU APPROPRIATIONS (all dollar amounts in thousands)

Comparison of 2013 Request with 2012 Enacted

	2012 Enacted		2013 Request		Change	
	FTE	Amount	FTE	Amount	FTE	Amount
Current						
Offshore Safety and Environmental Enforcement .	617	61,375	680	81,399	+63	+20,024
Oil Spill Research	20	14,899	20	14,899	0	0
Subtotal, Current	637	76,274	700	96,298	+63	+20,024
Offsetting Collections	66	121,081	66	125,881	0	+4,800
TOTAL BUREAU OF SAFETY AND ENVIRONMENTAL ENFORCEMENT (w/ OC).....	703	197,355	766	222,179	+63	+24,824

HIGHLIGHTS OF BUDGET CHANGES

By Appropriation Activity/Subactivity

APPROPRIATION: Offshore Safety and Environmental Enforcement

	2011 Actual*	2012 Enacted	2013 Request	Change
Environmental Enforcement				
Appropriation.....	383	1,498	5,693	+4,195
Offsetting Collections	651	2,610	2,610	0
Subtotal, Environmental Enforcement	1,034	4,108	8,303	+4,195
Operations, Safety and Regulation				
Appropriation.....	41,261	36,913	46,774	+9,861
Offsetting Collections	41,262	95,166	99,966	+4,800
Subtotal, Ops, Safety, Regulation.....	82,523	132,079	146,740	+14,661
Administrative Operations				
Appropriation.....	12,785	4,992	10,422	+5,430
Offsetting Collections	5,479	10,553	10,553	0
Subtotal, Administrative Ops.....	18,264	15,545	20,975	+5,430
General Support Services				
Appropriation.....	12,559	3,994	4,424	+430
Offsetting Collections	6,898	8,613	8,613	0
Subtotal, General Support Services..	19,457	12,607	13,037	+430
Executive Direction				
Appropriation.....	9,420	13,978	14,086	+108
Offsetting Collections	2,814	4,139	4,139	0
Subtotal, Executive Direction	12,234	18,117	18,225	+108
Total Appropriation	76,408	61,375	81,399	+20,024
Total Offsetting Collections	57,104	121,081	125,881	+4,800
TOTAL APPROPRIATION <i>(w/o rescission)</i>	133,512	182,456	207,280	+24,824
Rescission of Prior Year Balances.....	-12,500	0	0	0
TOTAL APPROPRIATION <i>(w/ rescission)</i>	121,012	182,456	207,280	+24,824

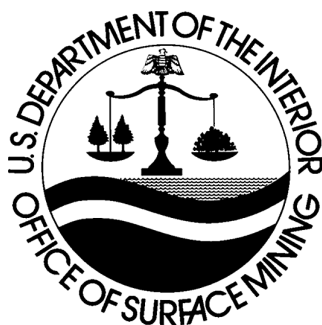
* Figures shown for 2011 are estimates provided for comparison. Funding in 2011 was provided to BOEMRE, which was reorganized into BOEM and BSEE in 2012.

Detail of Budget Changes

	2013 Change from 2012 Enacted		2013 Change from 2012 Enacted
TOTAL APPROPRIATION	+24,824		
Environmental Enforcement.....	+4,195	Administrative Operations.....	+5,430
Environmental Enforcement.....	+4,177	Administrative Service Capabilities	+5,000
Fixed Costs	+18	Fixed Costs	+430
Operations, Safety and Regulation.....	+14,661	General Support Services.....	+430
Research and Development	+2,000	Fixed Costs	+430
Operational Safety.....	+4,495		
National Offshore Training & Learning Center....	+3,685	Executive Direction.....	+108
e-Inspections for the Enforcement Program.....	+2,300	Fixed Costs	+108
Wellbore Integrity.....	+1,395		
Fixed Costs	+786	Subtotal for Changes Across Multiple Activities	
		Fixed Costs	[+1,772]

APPROPRIATION: Oil Spill Research

	2011 Actual	2012 Enacted	2013 Request	Change
TOTAL APPROPRIATION	11,744	14,899	14,899	0



OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

Mission – The mission of the Office of Surface Mining Reclamation and Enforcement is to ensure that through a nationwide regulatory program, coal mining is conducted in a manner that protects communities and the environment during mining, restores the land to beneficial use following mining, and mitigates the effects of past mining by aggressively pursuing reclamation of abandoned mine lands.

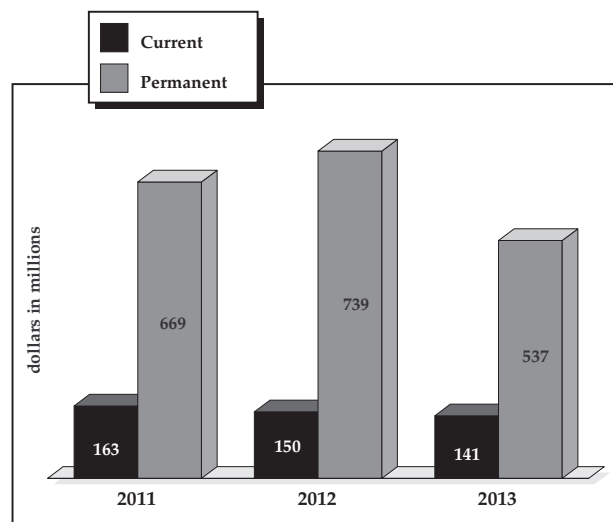
Budget Overview – The 2013 budget request for OSM is \$140.7 million in discretionary appropriations, \$9.5 million below the 2012 enacted level. The OSM estimates that staffing will equal 528 full time equivalents in 2013.

Regulation and Technology – The 2013 budget for Regulation and Technology is \$113.1 million, a decrease of \$9.7 million below the 2012 level. The request includes \$12.8 million, an increase of \$4.1 million above the 2012, to improve implementation of existing laws and support States and Tribes. State and tribal regulatory grants are funded at \$57.7 million in 2013, a decrease of \$10.9 million below 2012. States are encouraged to recover more of their regulatory costs from the coal industry through user fees. In addition, the budget proposes to recover the cost of reviewing, administering, and enforcing permits for surface coal mining and reclamation in Federal Programs and on Indian Lands where OSM is the regulatory authority. The OSM expects to collect \$3.4 million in these permit fees in 2013.

Abandoned Mine Reclamation Fund – The total discretionary funding requested for this account is \$27.5 million, an increase of \$149,000 above the 2012 enacted level. The Surface Mining Control and Reclamation Act established the Abandoned Mine Reclamation Fund to receive the Abandoned Mine Land fees and finance reclamation of coal AML sites.

Better Government – Secretary Salazar signed Secretarial Order 3315 on October 26, 2011, to better align certain functions of OSM and the Bureau of Land Management. In order to plan for this, Secretary Salazar has asked the Directors of OSM and BLM and other Interior officials to report by February 15, 2012, on the consultations with

OSM Funding



the Bureaus' employees, congressional committees, and interested parties such as Tribes, State regulatory officials, industry, and representatives of communities affected by coal mining.

Legislative Proposals – In 2013, OSM will distribute \$537.2 million in permanent appropriations. This includes \$306.6 million to States and Tribes in reclamation grants and \$230.6 million in payments to the United Mine Workers of America retiree health plans. The Administration proposes to focus reclamation grant funds on the highest priority AML sites. The budget proposes to end mandatory payments to States and Tribes that have finished restoring their abandoned coal mines, saving the taxpayer \$137.0 million in 2013 and approximately \$1.1 billion over the next ten years. These payments currently can be used for any purpose and therefore may not contribute to the goal of addressing abandoned mine hazards. This proposal will competitively allocate the remaining reclamation funding and provide funding for AML emergency situations and the administration of AML programs. Instead of using production-based formulas, OSM will establish an advisory council to review and rank reclamation projects proposed by States, Tribes, and

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT FACTS

- Created in 1977 when Congress enacted the Surface Mining Control and Reclamation Act.
- Ensures coal mining operations are conducted in an environmentally responsible manner.
- Regulates that land is adequately reclaimed and restored to beneficial use during and following the mining process.
- Institutes nationwide programs to protect the society and the environment from the adverse effects of surface coal mining operations.
- Trains hundreds of State and tribal professionals in a broad range of reclamation skills such as reestablishing wildlife habitat.

other parties and recommend the distribution of funds to the highest priority sites. This proposal will ensure the Nation's most dangerous abandoned coal mines are addressed before the AML fee expires in 2021.

The budget also assumes a legislative proposal to establish a new fee on hardrock mineral production to fund the reclamation of abandoned hardrock mines across the Country. Just as the coal industry is held responsible for the actions of its predecessors, the Administration proposes to hold the hardrock mining industry responsible for abandoned hardrock mines. The legislative proposal will levy an AML fee on uranium and metallic mines on both public and private lands. The proposed AML fee on the production of hardrock minerals will be based on the volume of material displaced after January 1, 2013. The fee will be collected by OSM. The receipts will be distrib-

uted through a competitive grant program to restore the most hazardous hardrock AML sites using an advisory council comprised of representatives of Federal agencies, States, Tribes, and non-government organizations. The advisory council will recommend objective criteria to rank AML projects to allocate funds for remediation to the sites with the most urgent environmental and safety hazards. The proposed hardrock AML fee and reclamation program would operate in parallel to the coal AML reclamation program, as two parts of a larger proposal to ensure the Nation's most dangerous abandoned coal and hardrock AML sites are addressed by the industries that created the problems. This proposal is expected to generate \$1.8 billion over ten years for the reclamation of abandoned mine lands.

Fixed Costs – Fixed costs of \$897,000 are fully funded.

SUMMARY OF BUREAU APPROPRIATIONS
(all dollar amounts in thousands)

Comparison of 2013 Request with 2012 Enacted

	2012 Enacted		2013 Request		Change	
	FTE	Amount	FTE	Amount	FTE	Amount
Current						
Regulation and Technology	344	122,813	369	113,153	+25	-9,660
Abandoned Mine Reclamation Fund	159	27,399	159	27,548	0	+149
Subtotal, Current (<i>w/o offsetting collections</i>)	503	150,212	528	140,701	+25	-9,511
Offsetting Collections	0	40	0	3,400	0	+3,360
Subtotal, Current (<i>w/offsetting collections</i>)	0	150,252	0	144,101	0	-6,151
Permanent						
Payments to UMWA Health Plans (AML)	0	48,430	0	55,724	0	+7,294
Payments to UMWA Health Plans (Treasury Funds)	0	205,561	0	174,902	0	-30,659
Payments to States in Lieu of						
Coal Fee Receipts (Treasury Funds)	0	265,300	0	85,200	0	-180,100
Mandatory Grants to States and Tribes (AML)	0	220,196	0	221,400	0	+1,204
Subtotal, Permanent	0	739,487	0	537,226	0	-202,261
TOTAL, OFFICE OF SURFACE MINING (<i>w/o OC</i>)	503	889,699	528	677,927	+25	-211,772
TOTAL, OFFICE OF SURFACE MINING (<i>w/ OC</i>)	503	889,739	528	681,327	+25	-208,412

HIGHLIGHTS OF BUDGET CHANGES

By Appropriation Activity/Subactivity

APPROPRIATION: Regulation and Technology

	2011 Actual	2012 Enacted	2013 Request	Change
Environmental Restoration.....	161	0	0	0
Environmental Protection.....	94,578	91,832	81,855	-9,977
Permitting fees.....	0	40	3,400	+3,360
Offsetting collections	0	-40	-3,400	-3,360
Technology Development and Transfer...	15,455	14,455	14,584	+129
Financial Management	513	505	505	0
Executive Direction/ Administration	16,219	15,921	16,109	+188
TOTAL APPROPRIATION <i>(w/o civil penalties)</i> ..	126,926	122,713	113,053	-9,660
Civil Penalties	527	100	100	0
TOTAL APPROPRIATION <i>(w/ civil penalties)</i> ...	127,453	122,813	113,153	-9,660

Detail of Budget Changes

2013 Change from 2012 Enacted

TOTAL APPROPRIATION	-9,660
Environmental Protection.....	-9,977
Reduce State and Tribal Regulatory Grants	-10,916
Improve Implementation and Support to States and Tribes.....	+3,994
Federal Programs	-2,372
Indian Lands	-988
Fixed Costs	+305
Technology Development and Transfer.....	+129
Fixed Costs	+129
Executive Direction.....	+188
Fixed Costs	+188
Subtotals for Changes Across Multiple Subactivities	
Fixed Costs	[+622]

APPROPRIATION: Abandoned Mine Reclamation Fund

	2011 Actual	2012 Enacted	2013 Request	Change
Environmental Restoration.....	15,015	9,480	9,447	-33
Technology Development and Transfer...	5,751	3,544	3,571	+27
Financial Management	6,443	6,396	6,455	+59
Executive Direction and Administration.	8,308	7,979	8,075	+96
TOTAL APPROPRIATION	35,517	27,399	27,548	+149

Detail of Budget Changes**2013 Change
from 2012 Enacted**

TOTAL APPROPRIATION	+149
Environmental Restoration.....	-33
Project Monitoring	+209
Reduce Watershed Cooperative Agreements.....	-335
Fixed Costs	+93
Technology Development and Transfer.....	+27
Fixed Costs	+27
Financial Management	+59
Fixed Costs	+59
Executive Direction.....	+96
Fixed Costs	+96
Subtotals for Changes Across Multiple Subactivities	
Fixed Costs	[+275]



BUREAU OF RECLAMATION

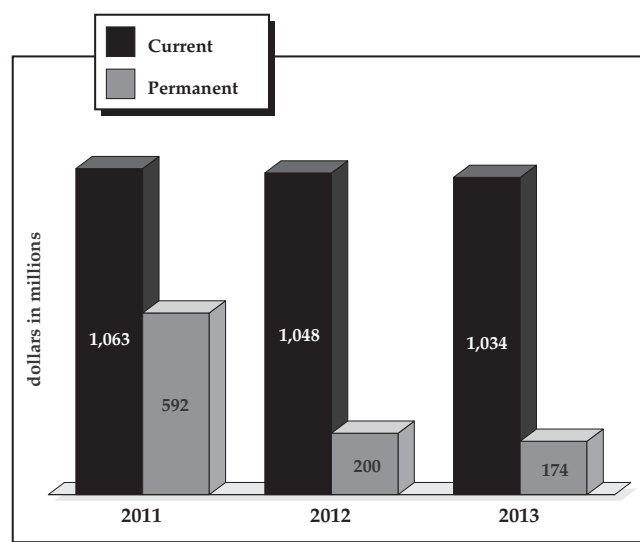
Mission – The Bureau of Reclamation’s mission is to manage, develop, and protect water and related resources in an environmentally and economically sound manner in the interest of the American public.

Budget Overview – Reclamation’s 2013 budget, now including the Central Utah Project Completion Act, is \$1.0 billion. These expenditures are offset by discretionary receipts in the Central Valley Project Restoration Fund, estimated to be \$39.6 million. The budget proposal for permanent appropriations in 2013 totals \$174.1 million. The budget proposes the establishment of a new Indian Water Rights Settlement account and a discretionary appropriation for the San Joaquin Restoration Fund. Further, the budget proposes to transition CUPCA to within Reclamation, while maintaining a separate account. This consolidation is part of broader Administration efforts to implement good government solutions, to consolidate activities when possible, and reduce duplication and overlap.

As the largest supplier and manager of water in the 17 western States and the Nation’s second largest producer of hydroelectric power, Reclamation’s projects and programs are critical to driving and maintaining economic growth in the western States. Reclamation manages water for agricultural, municipal and industrial use, and provides flood control and recreation for millions of people. Reclamation’s activities, including recreation, have an economic contribution of \$55 billion, and support nearly 416,000 jobs. Reclamation’s 58 hydroelectric power plants generate over 40 million megawatt hours of electricity to meet the annual needs of over 3.5 million households and provide approximately \$940 million in revenues for the Federal government. It would take more than 23.5 million barrels of crude oil or about 6.8 million tons of coal to produce an equal amount of energy with fossil fuels. As a result, Reclamation’s facilities eliminate the production of over 27 million tons of carbon dioxide that would have been produced by fossil fuel power plants.

The 2013 budget allocates funds to projects and programs based on objective, performance-based criteria to most effectively implement Reclamation’s programs and its

Reclamation Funding



management responsibilities for water and power infrastructure in the West. The 2013 budget emphasizes the following principles:

- *Shared Responsibility* – Securing non-Federal cost-share partners to meet project or program funding needs, and leveraging funding through these collaborative partnerships.
- *Merit-Based Funding* – Utilizing competitive processes for the awarding of grants, contracts, or other services based on criteria that reflect Interior priorities.
- *Regional Equity* – Conducting the management of Reclamation’s water infrastructure and programs by setting priorities on a west-wide basis.

Water and Related Resources – The 2013 budget for Water and Related Resources, Reclamation’s principal operating account, is \$818.6 million, a decrease of \$76.4 million from the 2012 enacted level. This decrease is due, in part, to shifts of \$46.5 million for the establishment of the Indian Water Rights Settlement account and \$12.0

BUREAU OF RECLAMATION FACTS

- Established in 1902.
- Manages, develops, and protects water resources in an environmentally and economically sound manner.
- Largest supplier and manager of water in the 17 western States.
- Manages 476 dams and 348 reservoirs with the capacity to store 245 million acre-feet of water.
- Delivers water to one in every five western farmers for about 10 million acres of irrigated land, and provides water to over 31 million people for municipal, rural, and industrial uses.
- Is the Nation's second largest producer of hydroelectric power, generating 40 million megawatt hours of energy per year from 58 power plants.
- Addresses water resource challenges posed by drought, climate change, depleted aquifers, environmental needs, energy demands, and population increases in the West.

million for a discretionary appropriation for the San Joaquin Restoration Fund.

The 2013 budget includes a total of \$395.6 million at the project/program level for water, energy, land, and fish and wildlife resource management and development activities. Funding in these activities provides for planning, construction, water sustainability activities, management of Reclamation lands including recreation areas, and actions to address the impacts of Reclamation projects on fish and wildlife.

The budget also provides a total of \$423.0 million at the project level for water and power facility operations, maintenance, and rehabilitation activities. Reclamation emphasizes safe, efficient, economic, and reliable operation of facilities, ensuring systems and safety measures are in place to protect the facilities and the public. Providing adequate funding for these activities continues to be one of Reclamation's highest priorities.

Water Challenges—Interior's Water Challenges initiative is accomplished through the WaterSMART Program – Sustain and Manage America's Resources for Tomorrow. The 2013 budget continues to focus resources on expanding and stretching limited water supplies in the West to reduce conflict, facilitate solutions to complex water issues, and meet the growing needs of expanding municipalities, domestic energy development, the environment, and agriculture.

Reclamation proposes to fund WaterSMART at \$53.9 million, \$6.8 million above the 2012 enacted level. There are five ongoing WaterSMART programs, including: the WaterSMART Grants program funded at \$21.5 million; Basin Studies funded at \$6.0 million; the Title XVI Water Reclamation and Reuse program funded at \$20.3 million; Water Conservation Field Services program, funded at \$5.9 million; and the Cooperative Watershed Management program, funded at \$250,000.

Reclamation is actively engaged in developing and implementing approaches to understand, and effectively adapt to, the risks and impacts of a changing environment on western water management. The Basin Studies program is part of an integrated strategy to respond to changing impacts on the resources managed by Interior, and it is a key component of the WaterSMART Program.

In 2013, the Basin Studies program will continue west-wide risk assessments, coordinated through the Department's Landscape Conservation Cooperatives and focus on the threats to water supplies from changing weather patterns. Reclamation will continue to participate in and lead the Desert and Southern Rockies LCCs. Included within Reclamation's Science and Technology program is water resources research targeting improved capability for managing water resources under multiple drivers, including a changing climate. This research agenda will be collaborated and leveraged with capabilities of the Interior Climate Science Centers.

Supporting the New Energy Frontier – To support the New Energy Frontier initiative and the Renewable Energy priority goal, the 2013 Reclamation budget allocates \$2.0 million for a pilot initiative to increase renewable generation by exploring how renewable energy technologies, including solar, small hydropower, and hydrokinetics, can be integrated into Reclamation projects. Reclamation will continue the effort to: optimize its hydropower projects to produce more energy with the same amount of water; investigate hydro pump-storage projects that can help integrate large amounts of different renewable resources such as wind and solar into the electric grid; and work with Tribes to assist them in developing renewable energy sources. These important projects can help produce more clean, renewable energy.

Tribal Nations – The 2013 Reclamation budget supports the Tribal Nations initiative through a number of activities and projects. For example, the budget includes \$6.4

million in support of Reclamation's activities with Tribes, including technical assistance, the Indian Water Rights Settlement negotiations, implementation of enacted settlements, and outreach to Tribes; and \$12.1 million to continue the operation and maintenance associated with the delivery of 89,500 acre-feet of water to the Ak-Chin community. Ongoing authorized rural water projects also benefit both tribal and non-tribal communities. The projects that benefit Tribes include Mni Wiconi; the rural water component of the Pick-Sloan Missouri Basin Program, Garrison Diversion Unit; Fort Peck Reservation/Dry Prairie; Jicarilla Apache Reservation; and Rocky Boy's/North Central Montana. Numerous other projects and programs, such as the Columbia/Snake River Salmon Recovery, Klamath, the Yakima River Basin Water Enhancement Project, and the projects within the proposed Indian Water Rights Settlements account, also benefit Tribes.

Rural Water Projects—Congress has specifically authorized Reclamation to undertake the design and construction of seven projects intended to deliver potable water supplies to specific rural communities and Tribes located in the 17 western States – primarily in Montana, New Mexico, North Dakota, and South Dakota. The 2013 Reclamation budget includes \$69.6 million for rural water projects.

Reclamation-wide Aging Infrastructure – The 2013 budget provides \$7.3 million, an increase of \$2.3 million from 2012, to address the aging infrastructure needs of Reclamation projects, which is essential for maintaining system reliability and safety and to support sustainable water management by promoting established asset management practices. These funds will provide for an increased number of extraordinary maintenance and rehabilitation work activities to enhance the ability of Reclamation and its operating entities to preserve the structural safety of project facilities, while continuing delivery of project benefits. Funding will also provide for infrastructure investigations in areas identified as high priority in order to evaluate and develop appropriate recommendations.

Ecosystem Restoration – In order to meet Reclamation's mission goals of securing America's energy resources and managing water in a sustainable manner for the 21st century, one focus of its programs must be the protection and restoration of the aquatic and riparian environments influenced by its operations. Ecosystem restoration involves a large number of activities, including Reclamation's Endangered Species Act recovery programs, which directly address the environmental aspects of the Reclamation mission.

The 2013 budget provides \$128.0 million to operate, manage, and improve California's Central Valley Proj-

ect. Within this total, \$14.1 million and an additional \$2.0 million in the Central Valley Project Restoration Fund is for the Trinity River Restoration program, and \$2.9 million is for the Red Bluff fish passage to complete post-construction activities of the new pumping plant and fish screen, which will be operational in the Spring of 2012.

The budget provides \$27.2 million for Lower Colorado River Operations to fulfill the role of the Secretary as Water Master for the Lower Colorado River. This amount includes \$17.8 million for the multi-species conservation program which provides long-term Endangered Species Act compliance for the river operations.

The budget includes \$36.9 million for Endangered Species Act Recovery Implementation programs that includes \$8.0 million in the Great Plains Region to implement the Platte River Endangered Species Recovery Implementation program, which provides measures to help recover four endangered or threatened species, thereby enabling existing water projects in the Platte River Basin to continue operations, as well as allowing new water projects to be developed in compliance with the Endangered Species Act. This program also provides \$8.4 million for the Upper Colorado and San Juan River Endangered Fish Recovery programs. This funding will continue construction of a system that automates canal operations to conserve water by matching river diversions with actual consumptive use demands and redirecting the conserved water to improve instream flows. The budget also provides \$18.0 million for the Columbia/Snake River Salmon Recovery program. This funding will be used to implement the required Biological Opinion actions which include extensive hydro actions that vary downstream flow regimes and tributary habitat and hatchery improvements as offsets for the impacts of the Federal Columbia River Power System operations.

The 2013 budget includes \$18.6 million for the Klamath project, which supports studies and initiatives to improve water supplies to meet the competing demands of agricultural, tribal, wildlife refuge, and environmental needs. The results of the Klamath Dam Removal and Sedimentation Studies conducted over the past several years will be used to inform a Secretarial Determination in 2012 as to whether or not removing PacifiCorp's four dams on the Lower Klamath River is in the public interest and advances restoration of the Klamath River fisheries.

The 2013 budget includes \$7.1 million for Reclamation to begin implementation of actions that address water supply enhancement and restoration of natural resources that support the Klamath Basin Restoration Agreement and are authorized under existing law.

The 2013 budget includes \$22.5 million for the Middle Rio Grande project. Funds support the acquisition of supplemental non-Federal water for Endangered Species Act efforts including low flow conveyance channel pumping into the Rio Grande during the irrigation season. Further, funding will be used for recurring river maintenance necessary to ensure uninterrupted and efficient water delivery to Elephant Butte Reservoir, reduce the risk of flooding, as well as meeting water delivery obligations to Mexico.

A total of \$16.9 million is provided for the Yakima River Basin. This includes \$7.4 million to operate and maintain existing project facilities and \$9.5 million for the Yakima River Basin Water Enhancement project, which will continue funding grants to implement conservation measures and monitor the effects of those measures on the river diversions.

Dam Safety Program - A total of \$87.5 million is provided for Reclamation's Safety of Dams program, which includes \$67.0 million directed to dam safety modifications to correct identified safety issues. Of that amount, \$15.0 million is for work at Folsom Dam. Funding also includes \$19.4 million for safety evaluations of existing dams and \$1.1 million to oversee the Interior Department's Safety of Dams program.

Site Security - A total of \$26.9 million is provided for Site Security to ensure the safety and security of the public, Reclamation's employees, and key facilities. This funding includes \$5.9 million for physical security upgrades at high risk critical assets and \$21.0 million to continue all aspects of bureau-wide security efforts including law enforcement, risk and threat analysis, personnel security, information security, risk assessments and security-related studies, and guards and patrols.

Central Utah Project Completion Act – Interior's 2013 budget proposes to consolidate the CUPCA project within Reclamation while maintaining a separate account for CUPCA. This consolidation is part of broader Administration efforts to implement good government solutions, to consolidate activities when possible, and reduce duplication and overlap. The 2013 CUPCA budget is \$21.0 million, a decrease of \$7.7 million from the 2012 enacted level. Of this amount, \$1.2 million will be transferred to the Utah Reclamation Mitigation and Conservation Account for use by the Mitigation Commission. In 2013, the Central Utah Water Conservancy District will continue construction of the Utah Lake System facilities, a component of the Bonneville Unit, and implement approved water conservation and water management improvement projects. The budget also funds implementation of the fish, wildlife, and recreation mitigation and conservation projects authorized in Title III of the Act and continues

mitigation measures committed to in pre-1992 Reclamation planning documents.

Central Valley Project Restoration Fund – The 2013 budget includes a total of \$39.9 million for the CVPRF, a decrease of \$13.2 million from the 2012 enacted level. This amount is indexed to 1992 price levels and determined on the basis of a three-year rolling average not to exceed \$50.0 million per year. These expenditures are offset by collections estimated at \$39.6 million from mitigation and restoration charges authorized by the Central Valley Project Improvement Act. The San Joaquin Restoration Fund section below describes the impact the San Joaquin River Restoration Settlement Act has on the CVPRF.

California Bay-Delta Restoration – The 2013 budget provides \$36.0 million for California Bay-Delta Restoration, a decrease of \$3.7 million from the 2012 enacted level. The account focuses on the health of the Bay-Delta ecosystem and improving water management and supplies. The budget will support implementation of the Bay-Delta Conservation Plan, under the following program activities: \$1.9 million for a Renewed Federal State Partnership, \$6.6 million for Smarter Water Supply and Use, and \$27.5 million for Habitat Restoration. These program activities are based on the Interim Federal Action Plan for the California Bay-Delta issued December 22, 2009.

San Joaquin Restoration Fund – The 2013 budget funds activities consistent with the settlement of *Natural Resources Defense Council v. Rodgers* as authorized by the San Joaquin River Restoration Settlement Act. The Act includes a provision to establish the San Joaquin Restoration Fund to implement the provisions of the Settlement. The Settlement's two primary goals are to restore and maintain fish populations, and restore and avoid adverse water impacts. Under the Settlement, the legislation provides for approximately \$2.0 million in permanent annual appropriations from the Central Valley Project Restoration Fund for this purpose. Reclamation proposes \$12.0 million of current funds for the San Joaquin Restoration Fund account in 2013.

Indian Water Rights Settlements – The total budget for Reclamation's implementation of Indian Water Rights Settlements in 2013 is \$46.5 million in current funding. Reclamation is proposing establishment of an Indian Water Rights Settlements account to assure continuity in the construction of the authorized projects and to highlight and enhance transparency in handling these funds.

The budget includes \$21.5 million to continue implementation of the four settlements authorized in the Claims Resolution Act of 2010. These settlements will deliver

clean water to the Taos Pueblo of New Mexico, the Pueblos of New Mexico named in the Aamodt case, the Crow Tribe of Montana, and the White Mountain Apache Tribe of Arizona. The budget also includes \$25.0 million for the ongoing Navajo-Gallup Water Supply project (Title X of Public Law 111-11) in order to have major current funding for constructing Reclamation's Indian Water Rights Settlements in a single account. Additionally, \$60.0 million in new permanent authority is available in 2013 for the Indian water rights settlements.

Policy and Administration – The 2013 budget for Policy and Administration, the account that finances Reclamation's central management functions, is \$60.0 million.

Working Capital Fund – This fund is operated for the purpose of managing financial activities such as acquisition and replacement of capital equipment; recovery of the cost of services provided to others; indirect cost recovery for the Technical Service Center; management services and human resources in regional and area offices; and information technology related costs and services. The fund operates on a self-supporting basis through user charges.

Permanent Appropriations - The total permanent appropriation in 2013 of \$174.1 million primarily includes \$111.1 million for the Colorado River Dam Fund and \$60.0 million for Reclamation's Water Settlements Fund.

SUMMARY OF BUREAU APPROPRIATIONS (all dollar amounts in thousands)

Comparison of 2013 Request with 2012 Enacted

	2012 Enacted		2013 Request		Change	
	FTE	Amount	FTE	Amount	FTE	Amount
Current						
Water and Related Resources	2,745	895,000	2,754	818,635	+9	-76,365
Policy and Administration.....	296	60,000	296	60,000	0	0
Central Utah Project Completion Account.....	[4]	[26,704]	4	19,800	+4	+19,800
Utah Reclamation Mitigation and Conservation....	[12]	[2,000]	12	1,200	+12	+1,200
Central Valley Project Restoration Fund.....	13	53,068	13	39,883	0	-13,185
California Bay-Delta Restoration.....	31	39,651	31	36,000	0	-3,651
Working Capital Fund.....	1,897	0	1,889	0	-8	0
San Joaquin Restoration Fund.....	0	[8,892]	0	12,000	0	+12,000
Indian Water Rights Settlements.....	0	0	0	46,500	0	+46,500
Subtotal, Current.....	4,982	1,047,719	4,999	1,034,018	+17	-13,701
Central Valley Project Restoration Fund Offset.....	0	-52,767	0	-39,582	0	+13,185
Subtotal, Net Discretionary	4,982	994,952	4,999	994,436	+17	-516
Permanent and Trust						
Colorado River Dam Fund,						
Boulder Canyon Project	218	112,537	218	111,089	0	-1,448
Basin Funds.....	162	0	164	0	+2	0
Loan Program Liquidating Account.....	0	-851	0	-856	0	-5
Miscellaneous Permanents	0	265	0	265	0	0
Reclamation Trust Funds	1	3,000	1	3,000	0	0
Federal Lands Recreation Enhancement Act	0	648	0	648	0	0
San Joaquin Restoration Fund.....	18	24,077	18	0	0	-24,077
Reclamation Water Settlements Fund	0	60,000	0	60,000	0	0
Subtotal, Permanent and Trust.....	399	199,676	401	174,146	+2	-25,530
TOTAL, BUREAU OF RECLAMATION	5,381	1,194,628	5,400	1,168,582	+19	-26,046

HIGHLIGHTS OF BUDGET CHANGES

By Appropriation Activity/Subactivity

APPROPRIATION: Water and Related Resources

	2011 Actual	2012 Enacted	2013 Request	Change
Animas-La Plata Project.....	6,387	12,600	2,334	-10,266
Central Arizona Project.....	9,397	6,941	7,892	+951
Central Valley Project.....	170,038	161,668	128,037	-33,631
Colorado-Big Thompson Project.....	12,752	11,000	13,646	+2,646
CO River Basin Salinity Control Prog.....	21,975	22,478	23,303	+825
Colorado River Storage Project.....	12,630	12,128	13,595	+1,467
Columbia Basin Project.....	13,553	7,632	9,031	+1,399
Columbia/Snake River				
Salmon Recovery.....	17,964	17,616	18,000	+384
Dam Safety Program.....	94,983	83,466	87,450	+3,984
Endangered Species Act/ Recovery Implementation.....	23,675	19,715	18,890	-825
Indian Water Rights Settlements (including Navajo-Gallup) ^{1/}	9,980	50,865	[46,500]	-50,865
Klamath Project.....	22,455	18,385	18,633	+248
Klamath Basin Restoration Agreement....	0	0	7,101	+7,101
Lower Colorado River				
Operations Program.....	25,249	25,668	27,190	+1,522
Middle Rio Grande Project.....	25,045	23,289	22,537	-752
Native American Affairs Program.....	7,450	6,868	6,393	-475
Pick-Sloan Missouri Basin Program				
Basin Program (excl Garrison).....	40,276	43,063	42,412	-651
Garrison Diversion Unit (Non-Rural Water).....	8,531	8,965	9,619	+654
Subtotal, Pick-Sloan Missouri Basin.....	48,807	52,028	52,031	+3
Reclamation-wide Aging Infrastructure ...	0	5,000	7,300	+2,300
Rural Water Supply Projects				
Eastern New Mexico				
Rural Water System.....	0	1,000	1,978	+978
Fort Peck Reservation/Dry Prairie				
Rural Water System.....	1,996	9,487	7,500	-1,987
Jicarilla Apache Rural Water System....	499	690	500	-190
Lewis and Clark Rural Water System ..	1,996	5,487	4,500	-987
Mni Wiconi Project.....	29,425	26,012	35,200	+9,188
P-SMBP, Garrison Diversion Unit.....	27,947	18,077	15,900	-2,177
Rocky Boy's/North Central Montana				
Rural Water System.....	998	4,387	4,000	-387
Subtotal, Rural Water Supply Projects .	62,861	65,140	69,578	+4,438
Science and Technology Program.....	11,465	9,987	10,050	+63
Site Security.....	30,207	25,631	26,900	+1,269
WaterSMART Program				
Basin Studies.....	8,288	4,928	6,000	+1,072
Cooperative Watershed Management..	0	247	250	+3
WaterSMART Grants.....	33,046	12,233	21,500	+9,267
Water Conservation Field				
Services Program ^{2/}	7,839	5,047	5,886	+839
Title XVI Water Reclamation and Reuse Projects.....	20,542	24,653	20,271	-4,382
Subtotal, WaterSMART Program.....	69,715	47,108	53,907	+6,799

APPROPRIATION: Water and Related Resources *(continued)*

	2011 Actual	2012 Enacted	2013 Request	Change
Yakima Project and Yakima River Basin Water Enhancement Project	20,838	15,188	16,918	+1,730
Yuma Area Projects	21,377	20,702	22,015	+1,313
Other Projects and Programs.....	172,870	173,897	155,904	-17,993
TOTAL APPROPRIATION	911,673	895,000	818,635	-76,365

^{1/} The Indian Water Rights Settlements Appropriation Account is requested to be established in 2013.

^{2/} The Water Conservation Field Services Program was moved under WaterSMART in 2012.

Program Highlights

The 2013 budget includes funds for the following projects and programs.

Animas-La Plata Project

In 2012, the Animas-La Plata Project moved from construction to operation and maintenance status. In 2013, funds are provided for continued oversight and administration of required repayments, water service contracts, water quality monitoring, land use management, cultural resources management, law enforcement contracting, recreation facilities management, fish and wildlife monitoring, and facility operations and maintenance activities.

Central Arizona Project

Funds are included for continued work activities to include fulfilling native fish protection requirements through fish barrier projects, continued planning work on the New Mexico Unit, and work with Tucson area municipal entities on pre-construction activities for the Tucson Northwest Reservoir.

Central Valley Project

Funds are provided for continued facility operations, maintenance, and rehabilitation, numerous management and development efforts, and water conservation. Funding continues support for implementation of the San Luis drainage management plan that addresses groundwater pumping, drainage reuse, drainage treatment and salt disposal. Funding also provides for the Trinity River restoration program, construction of screens on unscreened diversions, pumping plant and fish screen post-construction activities at Red Bluff Diversion Dam, and related activities that will be funded by the CVP Restoration Fund and California Bay-Delta appropriation.

Colorado-Big Thompson Project

The Colorado-Big Thompson project diverts approximately 260,000 acre-feet of water annually from the Colorado River headwaters on the western slope of the Rocky Mountains for distribution to eastern slope project lands. Funding is provided for project operations and continued coordination of activities associated with conservation, enhancement, development, and restoration of fish and wildlife populations and their habitats.

Colorado River Basin Salinity Control Program

Funds are provided for operation, maintenance and rehabilitation of completed projects in the Upper Colorado River Basin and for a basinwide program to identify and implement cost-effective salinity control options based on proposals from non-Federal interests. The funds will be used to meet United States obligations under the 1944 Water Treaty with Mexico and subsequent Minutes to the Treaty, which clarify and resolve Treaty issues. To meet the Treaty requirements, Reclamation continues maintenance of the U.S. and Mexico bypass drains, wellfields, and conveyance systems and continues operations and delivery of Colorado River water to Mexico and the management of water quality. Reclamation works to identify and evaluate the options for replacing or recovering bypass flows to Mexico, as it relates to the Yuma Desalting Plant.

Colorado River Storage Project

Funds are included for the Federal share of the costs of facility operations, maintenance, and rehabilitation, including the rehabilitation of recreation facilities at Reclamation constructed reservoirs. Implementation of mitigation measures continues.

Columbia Basin Project

The Bonneville Power Administration, through a memorandum of agreement, directly funds power operation and maintenance costs. In addition, BPA directly funds through subagreements, major power replacements, additions, and improvements. Funds are provided for the day-to-day operation of two storage dams and reservoirs, three Grand Coulee power plants, one pump and generating plant, associated switchyards and transmission lines, the feeder canal at Grand Coulee, and the distribution canal systems for the irrigation reserved works.

Program Highlights
Water and Related Resources (continued)

Columbia/Snake River Salmon Recovery

This program implements actions required by the Endangered Species Act, the 2008 and 2010 Biological Opinions issued by the National Oceanic and Atmospheric Administration, National Marine Fisheries Service, and separate 2000 Biological Opinions issued by the Fish and Wildlife Service. These Biological Opinions require extensive collaboration with States and Tribes in the Columbia River Basin to ensure that operation of the Federal Columbia River Power System by the agencies is not likely to jeopardize the continued existence of endangered or threatened species, or to adversely modify or destroy their designated critical habitats. Reclamation actions include modifications to hydrosystem operations and specific actions to improve tributary habitat and hatcheries for salmon and steelhead.

Dam Safety Program

This program provides funding for the Safety of Dams Evaluation and Modification program, which identifies and evaluates safety issues at Reclamation dams, and implements modifications to reduce associated risks to the public. The budget continues dam safety risk management and risk reduction activities throughout Reclamation's inventory of high and significant hazard dams. The program continues planned ongoing dam safety modification activities at Folsom Dam, California; Red Willow Dam, Nebraska; Echo Dam, Utah; and Glendo/Guernsey Dams, Wyoming. Pre-construction and project formulation activities are planned for several other dams. Funds are also provided to oversee the broader Dam Safety Program managed by the Department of the Interior.

Endangered Species Act Recovery Implementation

This program provides for the development and implementation of measures for the preservation, conservation, and recovery of native and endangered, threatened, proposed, and candidate species that are resident in, or migratory to, habitats affected by the operation of Reclamation projects. Ongoing efforts funded by this program involve the Colorado, San Juan, and Platte River Basins, as well as watersheds in the Pacific Northwest and areas impacted by the Central Valley Project.

Indian Water Rights Settlements (including Navajo-Gallup Water Supply)

In 2013, Reclamation is proposing establishment of an Indian Water Rights Settlements account to assure continuity in the construction of the authorized projects and to highlight and enhance transparency in handling the four new water settlements identified in the Claims Resolution Act of 2010. In establishing this account, Reclamation is also proposing to include the ongoing Navajo-Gallup Water Supply project (Title X of Public Law 111-11) in order to have all major current funding for constructing Reclamation's Indian Water Rights Settlements in a single account. Funding will provide for ongoing pre-construction and construction activities of the White Mountain Apache, Crow, Aamodt and Navajo-Gallup Settlements and the planning and design of the mutual benefit projects for the Taos Settlement.

Klamath Project

The budget includes funds for projects and initiatives related to improving water supplies to meet the competing demands of agricultural, tribal, wildlife refuge, and environmental needs in the Klamath River Basin. Key areas of focus include continuing a water user mitigation program, making improvements in fish passage and habitat, taking actions to improve water quality, developing a basinwide recovery plan, and increasing surface and groundwater supplies.

Klamath Basin Restoration Agreement

The KBRA includes restoration and other related activities in the Upper Klamath River Basin to reduce conflicts over water between the Upper and Lower Klamath Basins. It is intended to result in effective and durable solutions that will: restore and sustain natural fish production and provide for full participation in ocean and river harvest opportunities of fish species throughout the Klamath Basin; establish reliable water and power supplies that sustain agricultural uses, communities, and national wildlife refuges; and contribute to the public welfare and the sustainability of all Klamath Basin communities. The 2013 budget includes funding for Reclamation to begin implementation of actions that address water supply enhancement and restoration of natural resources that support the KBRA and are authorized under existing law.

Lower Colorado River Operations Program

This program funds work necessary to carry out the Secretary's responsibilities as Water Master of the lower Colorado River, including the administration of the Colorado River interim guidelines and reservoir management strategies during low reservoir conditions. This program funds activities under the Lower Colorado River Multi-Species Conservation Program to provide long-term Endangered Species Act compliance for lower Colorado River operations for both Federal and non-Federal purposes. The MSCP provides a unique cost-share benefit in which non-Federal partners match Federal funding on a 50/50 basis.

Program Highlights
Water and Related Resources (continued)

Middle Rio Grande Project

Funds are included for operations, maintenance, and rehabilitation of project facilities, river maintenance, and for efforts focused on the protection and recovery of the Rio Grande silvery minnow and southwestern willow flycatcher. Project partnerships, through the Middle Rio Grande Endangered Species Act Collaborative Program, provide an alternative to litigation and preserve, protect, and improve the status of endangered species. River maintenance directly benefits water salvage and effective water delivery to Elephant Butte Reservoir, nine Tribes and Pueblos along the river, and a national wildlife refuge. It also prevents flooding and protects life, critical riverside facilities and property. The project provides for collection of mission essential lifecycle hydrologic data in the Middle Rio Grande system and maintenance of the surface water hydrologic computer model required for efficient and effective water delivery.

Native American Affairs Program

This program provides funding to promote the successful application of Reclamation's programs for Indian issues and needs. The program supports Indian water rights negotiations and the implementation of enacted settlements and assists Tribes in their efforts to become self-sufficient in the management and development of their water resources.

Pick-Sloan Missouri Basin Program

Funds are provided for the Federal share of the costs of operations, maintenance, and rehabilitation of facilities on 32 units of the Pick-Sloan Missouri Basin program. The rural water portion of the P-SMBP, Garrison Diversion Unit, is described under Rural Water Supply projects.

Reclamationwide Aging Infrastructure

Funding will allow Reclamation to further address and manage future water supply challenges through maintaining its existing infrastructure for system reliability and safety, and sustained water conservation. This funding will assist in addressing extraordinary operation and maintenance work to ensure Reclamation and its operating entities minimize the risk of imminent harm to the public health, safety, or property. Funding will also provide for investigations identified as high priority in order to evaluate and develop appropriate recommendations.

Rural Water Supply Projects

Congress has specifically authorized Reclamation to undertake the design and construction of seven projects intended to deliver potable water supplies to specific rural communities and Tribes located in the 17 western States – primarily in Montana, New Mexico, North Dakota, and South Dakota. In addition to funding for rural water project construction, the budget includes funds for the operation and maintenance of tribal features of the Mni Wiconi project and the Pick-Sloan Missouri Basin Program, Garrison Diversion Unit. The budget includes \$69.6 million of funding for authorized rural water projects.

Eastern New Mexico Rural Water System

Funds are provided for construction of an intake structure at Ute Reservoir.

Fort Peck Reservation/Dry Prairie Rural Water System

Funds are provided for a single water treatment plant located on the Missouri River, near Wolf Point, Montana, and to distribute water through 3,200 miles of pipeline.

Jicarilla Apache Reservation Rural Water System

Funds are provided for the Jicarilla Apache Nation to complete final design and construction of authorized project facilities. This project will replace existing water and wastewater facilities in and around the town of Dulce, New Mexico and provide services to the newly developed area of Mundo Ranch.

Lewis and Clark Rural Water System

Funds are provided to collect, treat, and distribute water through a network of wells, pipelines, pump stations, and storage reservoirs to bulk service connections with 15 municipalities, including the city of Sioux Falls, South Dakota, and five rural water systems.

Mni Wiconi Project

Funds are provided for construction activities on the Oglala Sioux and Rosebud Sioux Indian reservations and the West River/Lyman-Jones rural water systems, and for operation and maintenance of new and existing facilities on the Indian reservations. The 2013 budget completes funding for the construction of the Mni Wiconi Project.

Program Highlights
Water and Related Resources (continued)

Pick-Sloan Missouri Basin Program, Garrison Diversion Unit

Funds are provided for financial assistance to the State of North Dakota for municipal, rural, and industrial water projects; for development of Indian municipal, rural, and industrial water and irrigation facilities; for work at several wildlife refuges; and for operation and maintenance of completed project facilities.

Rocky Boy's/North Central Montana Rural Water System

Funds are provided for the necessary infrastructure to ensure existing water systems within the project service area are in compliance with Federal Safe Drinking Water Act regulations. A core pipeline will provide potable water from Tiber Reservoir to the Rocky Boy's Reservation, while non-core pipelines will serve 21 surrounding towns and rural water districts.

Science and Technology Program

Funds are included for the development of new solutions and technologies that respond to Reclamation's mission-related needs, which provide for innovative management, development, and protection of water and related resources. Additionally, this program supports Interior's integrated strategy for responding to changing climate impacts on the resources managed by the Department.

Site Security

Funds are provided to continue Reclamation's ongoing site security efforts including physical security upgrades at high risk critical assets, law enforcement, risk and threat analysis, personnel security, information security, security risk assessments, security related studies, and guards and patrol of facilities.

WaterSMART Program

Funds support the Department's WaterSMART program, which concentrates on implementing sustainable water management strategies and expanding and stretching limited water supplies in the West to address current and future water shortages, increased demands for water and energy from growing populations, amplified recognition of environmental water requirements, and the potential for decreased water supply availability due to drought and climate change.

The WaterSMART program includes Reclamation's Basin Study program, the Cooperative Watershed Management program, WaterSMART Grants, the Water Conservation Field Services program, and the Title XVI Water Reclamation and Reuse program. Through these programs, Reclamation will continue to provide competitive cost-shared financial assistance for water and energy efficiency improvements, and other activities that enhance water management. The program will also conduct basinwide activities under the SECURE Water Act that support Landscape Conservation Cooperatives and the Department of the Interior's integrated strategy for responding to new weather patterns in a changing environment. Reclamation will continue funding of water reclamation and reuse projects through its Title XVI program; continue funding of smaller scale water conservation improvements and planning efforts through the Water Conservation Field Services program; and assist the Department in implementing expanded collaborative watershed groups through the Cooperative Watershed Management program. The WaterSMART program also supports the Department's Priority Goal for water conservation.

Yakima Project/Yakima River Basin Water Enhancement Project

Work includes operation and maintenance of existing facilities and the implementation of structural and non-structural measures to increase the reliability of water conservation actions, fish and wildlife improvements, and other measures authorized by the Yakima River Basin Water Enhancement Act. Funding is also included to continue implementation of the Yakama Nation's water conservation plans.

Yuma Area Projects

The budget funds infrastructure maintenance along the lower Colorado River necessary to ensure uninterrupted water delivery to both urban and agricultural users in Arizona, California, Nevada, and Mexico. Funding also supports river management, well inventory, drainage control, protection of endangered species and their habitats, and land use management activities.

Other Projects and Programs

The 2013 budget also includes funds for numerous smaller projects and programs that further the mission of Reclamation throughout many parts of the 17 western States. Though each of these projects may constitute a relatively small portion of Reclamation's budget, together they amount to \$155.9 million and provide critical services to thousands of individuals, farmers, municipalities, and industries throughout the arid West.

APPROPRIATION: Policy and Administration

	2011 Actual	2012 Enacted	2013 Request	Change
TOTAL APPROPRIATION	61,078	60,000	60,000	0

APPROPRIATION: Central Utah Project Completion Account*

	2011 Actual	2012 Enacted	2013 Request	Change
Central Utah Project Construction.....	[27,371]	[24,000]	17,300	+17,300
Mitigation and Conservation	[1,371]	[1,154]	1,200	+1,200
Program Administration	[1,701]	[1,550]	1,300	+1,300
TOTAL APPROPRIATION	[30,443]	[26,704]	19,800	+19,800

Central Utah Project Completion Act

Interior's 2013 budget proposes to consolidate the CUPCA Project within Reclamation. In 2013, the Central Utah Water Conservancy District will continue construction of the Utah Lake System facilities, a component of the Bonneville Unit, and implement approved water conservation and water management improvement projects.

APPROPRIATION: Utah Reclamation Mitigation and Conservation Account*

	2011 Actual	2012 Enacted	2013 Request	Change
Utah Reclamation Mitigation and Conservation	[7,569]	[0]	0	0
CUPCA Transfer.....	[1,497]	[2,000]	1,200	+1,200
TOTAL APPROPRIATION	[9,066]	[2,000]	1,200	+1,200

Program Highlights**Utah Reclamation Mitigation and Conservation Commission**

Interior's 2013 budget proposes to consolidate the CUPCA Project within Reclamation. The budget funds implementation of the fish, wildlife, and recreation mitigation and conservation projects authorized in Title III of the Act and continues mitigation measures committed to in pre-1992 Reclamation planning documents.

APPROPRIATION: Central Valley Project Restoration Fund

	2011 Actual	2012 Enacted	2013 Request	Change
Fish and Wildlife Resources Habitat	42,419	39,744	31,050	-8,694
Fish and Wildlife Resources Mgmt.....	7,495	13,324	8,833	-4,491
TOTAL APPROPRIATION	49,914	53,068	39,883	-13,185

Program Highlights**Central Valley Project Restoration Fund**

The 2013 budget includes Fish and Wildlife Resources Habitat at \$31.1 million, a decrease of \$8.7 million, and Fish and Wildlife Resources Management at \$8.8 million, a decrease of \$4.5 million. The decreases are due to the discretionary receipts being adjusted annually to maintain payments totaling \$30.0 million, indexed to October 1992 price levels, on a three-year rolling average basis.

* The amounts displayed in brackets are provided for comparative purposes only, as these amounts were appropriated in different accounts for 2011 and 2012.

APPROPRIATION: California Bay-Delta Restoration

	2011 Actual	2012 Enacted	2013 Request	Change
TOTAL APPROPRIATION	39,920	39,651	36,000	-3,651

Program Highlights**California Bay-Delta Restoration**

Funds are provided for the following program activities: \$1.9 million for Renewed Federal-State Partnership; \$6.6 million for Smarter Water Supply and Use; and \$27.6 million to Address the Degraded Bay-Delta Ecosystem. The \$3.7 million decrease from the 2012 enacted level is primarily in Smarter Water Supply and Use (-\$5.0 million), which is partially offset by an increase in Addressing the Degraded Bay-Delta Ecosystem (+\$1.4 million). These program activities are based on the Interim Federal Action Plan for the California Bay-Delta issued December 22, 2009.

APPROPRIATION: San Joaquin Restoration Fund*

	2011 Actual	2012 Enacted	2013 Request	Change
TOTAL APPROPRIATION	[5,000]	[8,892]	12,000	+12,000

Program Highlights**San Joaquin Restoration Fund**

Reclamation proposes \$12.0 million of current funds, an increase of \$3.0 million over the 2012 enacted level, for the San Joaquin Restoration Fund in 2013. Funding in prior years has been in the Water and Related Resources account under the Central Valley Project, Friant Division. Providing the funds in the San Joaquin Restoration Fund will highlight and enhance transparency in handling these funds.

APPROPRIATION: Indian Water Rights Settlements*

	2011 Actual	2012 Enacted	2013 Request	Change
White Mountain Apache Tribe.....				
Water Rights Quantification Act	[0]	[4,891]	2,500	+2,500
Crow Tribe Rights Settlement Act	[0]	[8,236]	10,000	+10,000
Taos Indian Water Rights Settlement Act	[0]	[3,952]	4,000	+4,000
Aamodt Litigation Settlement Act	[0]	[9,287]	5,000	+5,000
Navajo-Gallup Water Supply	[9,980]	[24,499]	25,000	+25,000
TOTAL APPROPRIATION	[9,980]	[50,865]	46,500	+46,500

Program Highlights

In 2013, Reclamation is proposing establishment of an Indian Water Rights Settlements account to assure continuity in the construction of the authorized projects and to highlight and enhance transparency in handling the construction funds.

White Mountain Apache Tribe Water Rights Quantification Act

Funds will be used for pre-construction activities under the Public Law 93-638 cooperative agreement with the White Mountain Apache Tribe to perform the planning, engineering, design, and environmental compliance for the Miner Flat Project.

* The amounts displayed in brackets are provided for comparative purposes only, as these amounts were appropriated in different accounts for 2011 and 2012.

Program Highlights
Indian Water Rights Settlements (continued)

Crow Tribe Rights Settlement Act

Reclamation will serve as the lead agency to implement the two major components of the Crow Tribe Water Rights Settlement Act. Reclamation will rehabilitate and improve the Crow Irrigation Project under which Reclamation will carry out such activities as are necessary to rehabilitate and improve the water diversion and delivery features of the CIP. Reclamation will also and design and construct a municipal, rural, and industrial system under which Reclamation will plan, design, and construct the water diversion and delivery features of the MR and I system, in accordance with one or more agreements between the Secretary and the Tribe.

Taos Indian Water Rights Settlement Act

Funds are provided to begin the planning and design of potential mutual benefit projects and then to provide grants to non-tribal entities to minimize adverse impacts on the Pueblo's water resources by pumping future non-Indian groundwater away from the Pueblo's Buffalo Pasture; and implement the resolution of a dispute over the allocation of certain surface water flows between the Pueblo and non-Indian irrigation water rights owners in the community of Arroyo Seco Arriba.

Aamodt Litigation Settlement Act

Funds are provided to plan, design, and construct a regional water system, in accordance with the Settlement Agreement. The system will divert and distribute water to the Pueblos of Nambe, Pojoaque, Tesuque, and San Ildefonso, and the Santa Fe County water utility; and include treatment, transmission, storage and distribution facilities, and well fields to meet water delivery requirements.

Navajo-Gallup Water Supply Project

Funds will be used to continue oversight, management, coordination, and construction on several reaches on both the San Juan Lateral and the Cutter Lateral. Funding will also provide for design data collection, design, rights-of-way acquisition, and environmental and cultural resources compliance activities for remaining project features



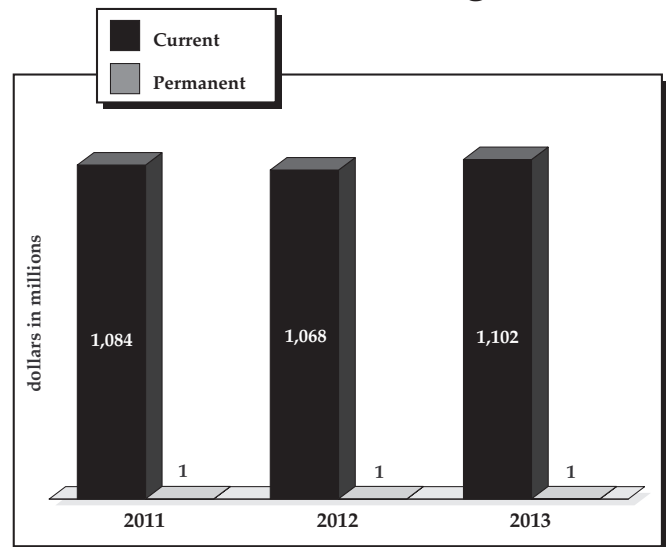
U.S. GEOLOGICAL SURVEY

Mission – The mission of the U.S. Geological Survey is to provide reliable scientific information to describe and understand the Earth, minimize loss of life and property from natural disasters, manage water, biological, energy, and mineral resources, and enhance and protect the quality of life.

Budget Overview – The 2013 USGS budget request is \$1.1 billion, which is \$34.5 million above the 2012 enacted level. The USGS estimates staffing will equal 8,512 full time equivalents in 2013. Recognizing constrained fiscal resources, the 2013 budget reflects careful and tough decisions regarding the targeted reduction of programs to invest in priority science to support a robust and growing economy and strong and resilient Nation. The budget prioritizes programs that are unique to USGS, have national impact, and reduces or redirects funding to support these activities. Highlights of the budget request include strong support for science-based resource management, ecosystem restoration, invasive species control, and the National Ocean Policy. Increases are proposed to establish a National Groundwater Monitoring Network, to improve responses to disasters and natural hazards, and to meet the legislative mandate for both biologic and geologic carbon sequestration assessments. A hydraulic fracturing research and development effort with the Department of Energy and the Environmental Protection Agency will focus efforts to understand and minimize potential adverse environmental, health, and safety impacts of shale gas development through hydraulic fracturing.

New Energy Frontier – The 2013 budget provides \$44.0 million for the Secretary's New Energy Frontier initiative, \$13.2 million above the 2012 enacted level. The USGS will use a program increase of \$1.0 million in wind energy to work closely with Interior bureaus to provide the scientific information they need to make informed decisions concerning the permitting, implementation, and operation of wind power generation facilities on public lands. In 2013, USGS will report on the results of studies on the impacts associated with the development of wind energy. Included in the request is a program increase of \$13.0 million to address priority science issues related

USGS Funding



to hydraulic fracturing. Funding for other conventional energy programs totals \$18.4 million in 2013 and includes a program reduction of \$1.0 million from 2012 enacted for grants to States for coal resource assessments.

Water Challenges – The 2013 budget provides \$21.0 million for USGS activities in support of the Water Challenges initiative, \$13.0 million above the 2012 enacted level. The increase will be used to enhance the implementation of the WaterSMART Availability and Use Assessment by creating predictive models of water availability through regional studies; exploring methods for integrating and disseminating data through science platforms; and establishing a National Groundwater Monitoring Network.

Ecosystems – The 2013 budget includes \$177.9 million for the Ecosystems activity, which is \$16.6 million above the 2012 enacted level. Through the Ecosystems activity, the USGS conducts research and monitoring focused on understanding how ecosystems are structured and function. Information generated by the Ecosystems activity helps improve management of the Nation's natural resources and hazards that threaten its land, coastlines, and population. The budget includes a program increase of \$3.0

U.S. GEOLOGICAL SURVEY FACTS

- Founded by an Act of Congress in 1879.
- The Nation's largest water, earth, and biological science and civilian mapping agency.
- Employs over 8,500 scientists, technicians, and support staff working in more than 400 locations throughout the United States.
- With over 2,000 strategic partnerships, USGS is a primary Federal source of science-based information on ecosystem science, climate and land use change, energy and mineral resources, environmental impacts, natural hazards, water resource use and availability, and updated maps and images for the Earth's features available to the public.
- Generates and maintains data from over 7,600 streamgages and over 2,200 earthquake sensors that are available to the public.
- In addition to over three million Landsat images, USGS offers over 170 digital land-surface data sets online at no charge, including more than 20 million aerial photos and satellite images.

million for research on new methods to eradicate, control, and manage Asian carp in the Upper Mississippi River Basin and prevent their entry into the Great Lakes. Within this budget activity, program increases are provided for the following priority ecosystem restoration initiatives: \$1.3 million for ecosystem restoration in the Chesapeake Bay, \$1.0 million for the California Bay-Delta, \$901,000 to support fish health and water quality studies for the Klamath Basin Restoration Agreement, and \$1.0 million for research to control and manage invasive species in the Everglades such as the Burmese python. Additional program increases totaling \$2.8 million are provided to address brown tree snakes, white-nose syndrome in bats, coral reef health, and ecosystem restoration in the Puget Sound and Columbia River. A program increase of \$2.0 million is also included for science to support the Administration's priorities in assessing the social and economic value of ecosystem services and protecting and sustaining environmental capital.

Climate and Land Use Change – The 2013 budget provides a total of \$153.7 million for Climate and Land Use Change that provides practical, user-focused scientific information to facilitate Interior land management bureaus in creating adaptation strategies for changes in various landscapes. The proposed budget for the Climate Variability subactivity is \$67.7 million, an increase of \$8.8 million above the 2012 enacted level. The eight Department of the Interior Climate Science Centers are fully funded and operational at \$26.2 million, providing scientific tools to inform regional land, water, and resource management decisions to adapt to a changing climate. The budget also includes an increase of \$6.6 million to the Science Support for DOI Bureaus subactivity, which will be used to conduct research and develop tools and protocols for assessing and monitoring changes on the landscape and to maintain partnerships with other Interior bureaus, universities, and stakeholders in building an

understanding of climate impacts and adaptation strategies. The budget also includes a \$1.2 million increase for the Climate Research and Development program to support priority climate research in areas such as paleoclimatological studies of the impacts of sea level rise on ecosystems such as mountains, deserts, coastal wetlands, estuaries, and marine ecosystems. The Carbon Sequestration program is funded at \$9.4 million, an increase of \$398,000 over 2012.

The 2013 request for the Land Use Change subactivity is \$86.0 million, \$839,000 above the 2012 enacted level. This subactivity ensures Earth observation imagery collected via satellite is available and accessible to users and provides analyses of these data to quantify rates of land use change, identify key driving forces, and forecast future trends of landscape change. The Landsat Missions program remains in this subactivity, funded at \$53.3 million, and includes funding to complete the Landsat Data Continuity Mission/Landsat 8 Ground System. There is a \$2.0 million program reduction from 2012 for Landsat 9 mission development; however, USGS will continue to work closely with the Office of Management and Budget, Office of Science and Technology Policy, National Aeronautics and Space Administration, and National Oceanic and Atmospheric Administration to examine alternatives for providing land remote sensing data in a cost effective manner in the future. The budget also includes a program increase of \$750,000 within the Geographic Analysis and Monitoring program to support the Rapid Disaster Response effort and a program increase of \$1.5 million for research to support ecosystem restoration.

Energy, Minerals, and Environmental Health – The 2013 budget includes \$97.1 million for Energy, Minerals, and Environmental Health, \$914,000 above the 2012 enacted level. This activity includes programs that conduct research and assessments on the location, quantity, and

quality of the Nation's mineral and energy resources. The activity also conducts research on the environmental impacts of human activities that introduce chemical and pathogenic contaminants into the environment and threaten human, animal, and ecological health. In addition to the program increases for WaterSMART, wind energy research, and hydraulic fracturing research, the 2013 budget includes increases of \$1.0 million to support research on rare earth elements that are critical to American manufacturing and \$400,000 for the Chesapeake Bay and Columbia River ecosystem restoration efforts. Program reductions include \$5.3 million in the Minerals Resources Program.

Natural Hazards – The 2013 budget provides \$144.8 million for Natural Hazards, \$10.3 million above the 2012 enacted level. This activity provides the scientific information and knowledge necessary to reduce fatalities, injuries, and economic loss from volcanoes, earthquakes, and earthquake-induced tsunamis, landslides, and liquefaction. The budget includes an increase of \$2.4 million for improving rapid disaster response and \$1.6 million for earthquake hazards research along the east coast of the United States. These increases are partially offset by program reductions of \$1.0 million in volcano hazards research and \$600,000 in coastal and marine geology. The 2013 budget also provides an increase of \$6.8 million to support a new initiative on Science for Coastal and Ocean Stewardship to support priority objectives of the National Ocean Policy in the areas of marine and coastal science, resource and vulnerability assessments, ecosystem-based management, adaptation to climate change, and providing science-based tools to inform policy and management.

Water Resources – The 2013 budget includes \$209.8 million for Water Resources, \$4.8 million below the 2012 enacted level. This activity includes programs for the collection, management, and dissemination of hydrologic data, modeling and analyses of hydrologic systems, and research and development leading to new understandings of and methods for gathering data. Funds support a national network of streamgages, wells, and monitoring sites that support the activities of and are leveraged by funds from State, tribal, and local partners. In addition to program increases to support WaterSMART and hydraulic fracturing research, a program increase of \$5.5 million for stream flow information will enhance rapid disaster response efforts related to natural hazards such as flooding and hurricanes. The budget request also includes program increases totaling \$2.1 million for ecosystem restoration efforts in the Chesapeake Bay, California Bay-Delta, Columbia River, Puget Sound, and the Upper Mississippi River. The USGS includes program reductions of \$5.0 million in the Cooperative Water program, \$6.5 million in the Water Resources Research Act, and

\$3.7 million from Hydrologic Networks and Analysis.

Core Science Systems – The 2013 budget provides \$120.4 million for Core Science Systems, \$13.7 million above the 2012 enacted level. This activity provides the Nation with access to science information through geospatial frameworks that are used in managing natural resources and planning for and responding to natural hazards. Data archives for biology and geology and the spatial data in The National Map are accessible to both scientists and the public and provide critical data about the Earth, its complex processes, and its natural resources. In addition to program increases for WaterSMART and hydraulic fracturing research, the budget includes an increase of \$1.0 million to support coastal and marine science and \$1.7 million for ecosystem restoration in Columbia River, Puget Sound, and other ecosystems. The request includes the merging of the Biological Information Management and Delivery subactivity and the National Geological and Geophysical Data Preservation subactivity into a single subactivity called Science Synthesis, Analysis, and Research and adding \$8.1 million from the realignment of Information Resources. The proposed realignment will consolidate complementary functions and resources that provide fundamental science and data critical to research activities across USGS. This completes a portion of the alignment of USGS programs to match the Science Strategy that began in 2011.

Administration and Enterprise Information – The 2013 budget includes \$99.1 million for Administration and Enterprise Information which is a \$11.2 million decrease from the 2012 enacted level. This activity funds the executive, managerial, and accountability activities, and the information technology and bureau support services of USGS. This activity includes \$2.2 million to provide education, training, and workshop opportunities through coursework and internships for high school and college students. This science center-based activity provides opportunities for youth to work with USGS scientists and staff in research. The request includes a realignment of the funding and services of Information Resources to three budget subactivities: the newly created Science Synthesis, Analysis, and Research subactivity under the Core Science Systems activity; and the Science Support subactivity and the Security and Technology subactivity in the Administration and Enterprise Information activity.

Facilities – The 2013 budget provides \$99.7 million for Facilities, which is \$704,000 below the 2012 enacted level. This activity provides safe, functional workspace, laboratories, and other facilities needed to accomplish the Bureau's scientific mission.

Fixed Costs and Related Changes – Fixed costs of \$10.8 million are fully funded in the budget.

SUMMARY OF BUREAU APPROPRIATIONS
(all dollar amounts in thousands)

Comparison of 2013 Request with 2012 Enacted

	2012 Enacted		2013 Request		Change	
	FTE	Amount	FTE	Amount	FTE	Amount
Current						
Surveys, Investigations, and Research.....	5,466	1,068,032	5,460	1,102,492	-6	+34,460
Subtotal, Current.....	5,466	1,068,032	5,460	1,102,492	-6	+34,460
Permanent						
Operations and Maintenance of Quarters.....	0	25	0	35	0	+10
Contributed Funds.....	11	572	11	629	0	+57
Subtotal, Permanent.....	11	597	11	664	0	+67
Reimbursable, Allocation, and Other						
Reimbursable	2,823	0	2,823	0	0	0
Allocation	14	0	14	0	0	0
Working Capital Fund	204	0	204	0	0	0
Subtotal, Reimbursable, Allocation, Other.....	3,041	0	3,041	0	0	0
TOTAL, U. S. GEOLOGICAL SURVEY.....	8,518	1,068,629	8,512	1,103,156	-6	+34,527

HIGHLIGHTS OF BUDGET CHANGES

By Appropriation Activity/Subactivity

APPROPRIATION: Surveys, Investigations, and Research

	2011 Actual	2012 Enacted	2013 Request	Change
Ecosystems				
Status and Trends	22,403	21,999	22,170	+171
Fisheries: Aquatic and				
Endangered Resources	23,693	22,576	27,111	+4,535
Wildlife: Terrestrial and				
Endangered Resources	49,078	48,169	49,414	+1,245
Terrestrial, Freshwater and				
Marine Environments	35,763	36,735	42,561	+5,826
Invasive Species	10,795	13,043	17,675	+4,632
Cooperative Research Units	19,105	18,756	18,921	+165
Subtotal, Ecosystems	160,837	161,278	177,852	+16,574
Climate and Land Use Change				
Climate Variability	64,334	58,921	67,741	+8,820
Land Use Change	73,807	85,169	86,008	+839
Subtotal, Climate / Land Use Change	138,141	144,090	153,749	+9,659
Energy, Minerals, and Environmental Health				
Mineral Resources	52,168	49,231	45,271	-3,960
Energy Resources	27,750	27,292	30,492	+3,200
Contaminants	9,216	9,062	9,900	+838
Toxic Substances Hydrology	10,778	10,628	11,464	+836
Subtotal, Energy, Minerals, and				
Environmental Health	99,912	96,213	97,127	+914
Natural Hazards				
Earthquake Hazards	55,979	55,125	58,917	+3,792
Volcano Hazards	24,464	24,770	24,968	+198
Landslide Hazards	3,318	3,266	3,908	+642
Global Seismographic Network	5,379	5,312	5,451	+139
Geomagnetism	2,097	2,066	2,205	+139
Coastal and Marine Geology	44,727	43,941	49,329	+5,388
Subtotal, Natural Hazards	135,964	134,480	144,778	+10,298
Water Resources				
Groundwater Resources	8,481	8,916	11,657	+2,741
National Water Quality Assessment	64,234	62,909	62,178	-731
National Streamflow Info Program	27,100	29,358	32,470	+3,112
Hydrologic Research / Development	11,932	11,665	15,493	+3,828
Hydrologic Networks and Analysis	30,719	31,329	28,730	-2,599
Cooperative Water Program	63,471	63,985	59,300	-4,685
Water Resources Research Act Prog	6,486	6,490	0	-6,490
Subtotal, Water Resources	212,423	214,652	209,828	-4,824
Core Science Systems				
Science Synthesis, Analysis, Research..	18,563	15,052	26,325	+11,273
National Geological and Geophysical..				
Data Preservation Program	998	996	0	-996
Nat'l Cooperative Geologic Mapping ..	27,713	26,300	27,991	+1,691
National Geospatial Program	65,755	64,330	66,074	+1,744
Subtotal, Core Science Systems	113,029	106,678	120,390	+13,712

APPROPRIATION: Surveys, Investigations, and Research continued

	2011 Actual	2012 Enacted	2013 Request	Change
Administration and Enterprise Information				
Science Support	77,229	73,427	75,756	+2,329
Security and Technology	23,430	20,991	23,295	+2,304
Information Resources	17,988	15,802	0	-15,802
Subtotal, Administration and Enterprise Information	118,647	110,220	99,051	-11,169
Facilities				
Rental Payments and Operations and Maintenance	97,427	93,141	92,437	-704
Deferred Maintenance and Capital Improvement	7,292	7,280	7,280	0
Subtotal, Facilities	104,719	100,421	99,717	-704
TOTAL APPROPRIATION	1,083,672	1,068,032	1,102,492	+34,460

Detail of Budget Changes

	2013 Change from 2012 Enacted		2013 Change from 2012 Enacted
TOTAL APPROPRIATION	+34,460		
Ecosystems	+16,574	Science Support for DOI Bureaus	+6,450
Status and Trends	+171	Fixed Costs	+620
Fixed Costs	+171	Land Use Change	+839
Fisheries: Aquatic and Endangered Resources	+4,535	Rapid Disaster Response	+750
WaterSMART	+1,250	Ecosystem Restoration	
Ecosystem Restoration - Klamath Basin	+901	Chesapeake Bay	+500
Hydraulic Fracturing	+2,200	Land Use Science	+1,000
Fixed Costs	+184	National Land Imaging Development	-1,750
Wildlife: Terrestrial and Endangered Resources..	+1,245	Fixed Costs	+339
White Nose Syndrome	+1,000	Energy, Minerals, and Environmental Health	+914
Fixed Costs	+245	Mineral Resources	-3,960
Terrestrial, Freshwater and Marine Environ	+5,826	Rare Earth Elements	+1,000
Ecosystem Restoration		Minerals External Research Program	-250
California Bay-Delta	+1,000	Minerals Resources	-5,000
Chesapeake Bay	+1,300	Fixed Costs	+290
Columbia River	+300	Energy Resources	+3,200
Puget Sound	+500	New Energy Frontier - Wind Energy	+1,000
Sustaining Environmental Capital	+2,000	Hydraulic Fracturing	+3,000
Coral Reef	+500	Energy Resources - Conventional Energy	-1,000
Fixed Costs	+226	Fixed Costs	+200
Invasive Species	+4,632	Contaminants	+838
Ecosystem Restoration		WaterSMART	+1,000
Asian Carp Control Framework		Ecosystem Restoration	
Great Lakes and Upper Mississippi	+3,000	Chesapeake Bay	+100
Everglades	+1,000	Columbia River	+100
Brown Tree Snakes	+500	Impact of Environmental Contaminants	-500
Fixed Costs	+132	Fixed Costs	+138
Cooperative Research Units	+165	Toxic Substances Hydrology	+836
Fixed Costs	+165	WaterSMART	+2,500
Climate and Land Use Change	+9,659	Ecosystem Restoration	
Climate Variability	+8,820	Chesapeake Bay	+100
DOI Climate Science Centers - Tribes	+500	Columbia River	+100
Climate Research and Development	+1,000	Methods Development and Assessments	-2,000
Carbon Sequestration	+250	Fixed Costs	+136

Detail of Budget Changes
Surveys, Investigations, and Research (continued)

	2013 Change from 2012 Enacted		2013 Change from 2012 Enacted
Natural Hazards.....	+10,298	Water Resources Research Act Program	-6,490
Earthquake Hazards	+3,792	Water Resources Research Act.....	-6,490
Rapid Disaster Response	+851	Core Science Systems.....	+13,712
Hydraulic Fracturing	+1,100	Science Synthesis, Analysis, and Research	+11,273
Eastern US Earthquake Research / Assessment	+1,600	Science for Coastal and Ocean Stewardship.....	+1,000
Fixed Costs	+241	Hydraulic Fracturing	+600
Volcano Hazards.....	+198	Ecosystem Restoration	
Rapid Disaster Response	+1,000	Information Synthesis and Management.....	+1,000
National Volcano Early Warning System	-700	Internal Transfer from Information Resources..	+8,591
Science Observatories	-300	Internal Transfer from National Geological	
Fixed Costs	+198	and Geophysical Data Preservation Prog	+996
Landslide Hazards	+642	Data Preservation	+4
Rapid Disaster Response	+500	Administrative Services.....	-446
Fixed Costs	+142	Data Management	-700
Global Seismographic Network	+139	Fixed Costs	+228
Fixed Costs	+139	National Geological and Geophysical	
Geomagnetism.....	+139	Data Preservation Program.....	-996
Fixed Costs	+139	Internal Transfer to	
Coastal and Marine Geology	+5,388	Science Synthesis, Analysis, and Research	-996
Science for Coastal and Ocean Stewardship.....	+5,750	National Cooperative Geologic Mapping.....	+1,691
Great Lakes Beach Health Study	-600	WaterSMART.....	+1,000
Fixed Costs	+238	Hydraulic Fracturing	+2,000
Water Resources	-4,824	National Cooperative Geologic Mapping	
Groundwater Resources	+2,741	Federal and State Partnerships.....	-1,500
WaterSMART.....	+2,500	Fixed Costs	+191
Hydraulic Fracturing	+2,100	National Geospatial Program	+1,744
Availability Studies	-2,000	WaterSMART.....	+750
Fixed Costs	+141	Ecosystem Restoration	
National Water Quality Assessment.....	-731	Columbia River.....	+500
WaterSMART.....	+3,500	Puget Sound	+200
Ecosystem Restoration		Fixed Costs	+294
California Bay-Delta.....	+1,000	Administration and Enterprise Information.....	-11,169
Chesapeake Bay	+500	Science Support	+2,329
Methods Development and Monitoring	-6,049	Internal Transfer from Information Resources..	+4,479
Fixed Costs	+318	Administrative Services.....	-2,369
National Streamflow Information Program	+3,112	Fixed Costs	+219
Ecosystem Restoration		Security and Technology	+2,304
Columbia River	+100	IT Transformation.....	+801
Upper Mississippi River.....	+200	Internal Transfer from Information Resources..	+2,732
Rapid Disaster Responses	+5,500	Administrative Services.....	-1,322
Federal Network Operations	-2,847	Fixed Costs	+93
Fixed Costs	+159	Information Resources.....	-15,802
Hydrologic Research and Development	+3,828	Internal Transfer to Science Synthesis,	
Ecosystem Restoration - Puget Sound.....	+300	Analysis, and Research	-8,591
Hydraulic Fracturing	+2,000	Internal Transfer to Science Support.....	-4,479
Water Research and Development	+1,300	Internal Transfer to Security and Technology ...	-2,732
Fixed Costs	+228	Facilities	-704
Hydrologic Networks and Analysis	-2,599	Rental Payments and Ops and Maintenance	-704
WaterSMART.....	+500	Rent and Operations and Maintenance Savings	-4,390
Information Management and Delivery	-3,300	Fixed Costs	+3,686
Fixed Costs	+201		
Cooperative Water Program	-4,685	Subtotal for Changes Across Multiple Subactivities	
Interpretive Studies	-4,963	Fixed Costs	[+10,780]
Fixed Costs	+278		



FISH AND WILDLIFE SERVICE

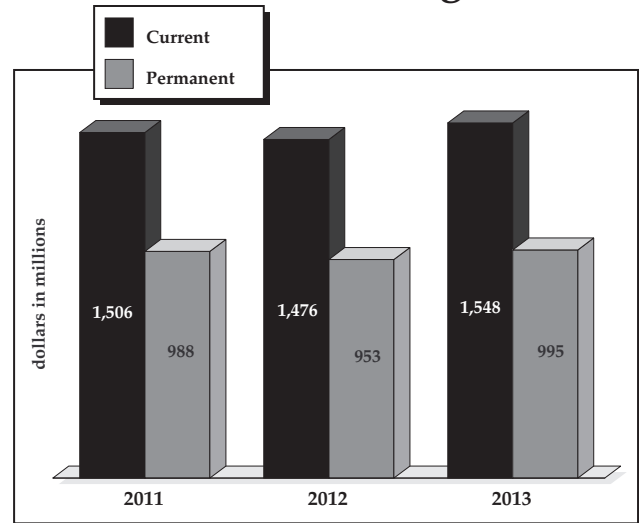
Mission – The mission of the Fish and Wildlife Service is to work with others to conserve, protect, and enhance fish, wildlife, plants, and their habitats for the continuing benefit of the American people.

Budget Overview – The 2013 President's budget request for current appropriations totals \$1.5 billion, an increase of \$72.0 million compared to the 2012 enacted level. In addition, the budget includes a \$200.0 million cancellation of prior year unobligated balances. The budget also includes \$994.7 million available under permanent appropriations, most of which will be provided directly to States for fish and wildlife restoration and conservation. The FWS estimates staffing will equal 9,290 full time equivalents in 2013, a reduction of 78 FTE from 2012.

America's Great Outdoors Initiative – In 2013, a total of \$1.5 billion is proposed for FWS as part of the Administration's initiative to reconnect Americans to the outdoors. This includes \$1.2 billion for Service operations, an increase of \$20.9 million over the 2012 enacted level. A critical component of the America's Great Outdoors initiative is the national wildlife refuge system, which has unique authorities and flexible programs that deliver landscape level conservation, while providing compatible outdoor recreation. The FWS Endangered Species program, working in partnership with States, Tribes, conservation groups, and others, has successfully encouraged private landowners to protect and restore habitat for listed and candidate species under the Endangered Species Act. The Fisheries program carries out its aquatic resources conservation work through a nationwide network of over 150 facilities that includes national fish hatcheries, fish and wildlife conservation offices, fish health centers, and fish technology centers. These facilities are located in or near communities across the Nation and, in addition to their mission critical work, they provide significant contributions toward the America's Great Outdoors initiative by hosting a variety of annual outdoor and classroom events that reconnect youth and their families to the Nation's natural resource heritage.

The 2013 budget request continues the FWS commitment to ecosystem restoration by including \$13.5 million, a

FWS Funding



programmatic increase of \$3.0 million over 2012 for the Everglades and \$47.8 million, a programmatic increase of \$2.9 million for the Great Lakes. Funding of \$4.9 million for California's Bay-Delta, \$10.2 million for the Gulf Coast, and \$10.3 million for the Chesapeake Bay is maintained at the 2012 levels.

The 2013 budget also includes increases for programs funded through the Land and Water Conservation Fund, a vital component of the America's Great Outdoors initiative. The 2013 budget proposal includes \$106.9 million for Federal land acquisition, an increase of \$52.3 million. The 2013 Federal Land Acquisition program builds on efforts started in 2011 and 2012 to strategically invest in interagency landscape-scale conservation projects while continuing to meet agency-specific programmatic needs. The Department of the Interior and the Forest Service collaborated extensively to develop a process to more effectively coordinate land acquisitions with government and local community partners to achieve the highest priority shared conservation goals.

In addition, the budget requests increases for several grant programs administered by FWS that support America's Great Outdoors goals. These include increases of \$12.3

FISH AND WILDLIFE SERVICE FACTS

- Originated in 1871 with the purpose of studying and recommending solutions to a decline in food fish.
- Manages nearly 150 million acres of land and waters in the national wildlife refuge system composed of 556 national wildlife refuges and thousands of small wetlands.
- Operates 71 national fish hatcheries, 65 fishery resource offices, and 80 ecological services field stations nationwide.
- Produces the Federal Duck Stamp, which raises about \$25 million annually to fund wetland habitat acquisition for the national wildlife refuge system.
- Employs over 10,000 staff nationwide and over 45,000 volunteers contribute in excess of 1.5 million hours annually.

million for the Cooperative Endangered Species Fund, \$3.9 million for the North American Wetlands Conservation Fund, as well as continuing funding for State and Tribal Wildlife Grants at \$61.3 million, the same as in 2012.

New Energy Frontier – The budget proposes \$14.1 million, a total program increase of \$4.0 million, for activities associated with energy development, including program increases of \$1.5 million for the Endangered Species Consultation program to support assessments of renewable energy projects, \$750,000 for renewable energy Conservation Planning Assistance, and \$750,000 to strengthen migratory bird conservation in areas with wind energy development. These increases will enable FWS to participate more fully in priority landscape level planning and assist industry and State fish and wildlife agencies as they plan for the siting of renewable energy projects and transmission corridor infrastructure. The 2013 request also contains a program increase of \$1.0 million over the 2012 level, for enforcement of wildlife protection laws to lessen the impact of energy development on wildlife resources.

Cooperative Recovery – Nearly 300 listed species are found in or around units of the national wildlife refuge system and 59 refuges were established for the purpose of recovering threatened and endangered species. The budget request supports a new FWS initiative, Cooperative Recovery, to implement recovery plan actions in the national wildlife refuge system and the national fish hatchery system. The initiative will draw on skills from several areas of FWS including the national fish hatchery system personnel who have expertise in recovering aquatic listed species. The total requested programmatic increase is \$5.4 million, including \$2.5 million for Refuge Wildlife and Habitat Management, \$883,000 for Partners for Fish and Wildlife, \$800,000 for Fisheries Population Assessment, \$770,000 for Adaptive Science, and \$400,000 for Endangered Species.

Resource Management – The 2013 request for the principal FWS operating account, Resource Management, is \$1.2 billion, an increase of \$20.9 million above the 2012 level. The increase includes \$12.0 million for fixed costs, \$12.3 million in net program increases, and a reduction of \$3.4 million to reflect the transfer of refuge land protection planning activities to the Land Acquisition Appropriation. The 2013 FWS budget proposes a total of \$13.6 million across the operating account to orient children and young adults to the importance of fish and wildlife conservation while encouraging careers in natural science through work on conservation projects, habitat management, and visitor services at refuges.

Endangered Species – The budget includes \$179.7 million to administer the Endangered Species Act, an increase of \$3.7 million compared with the 2012 level. In addition to programmatic increases provided for renewable energy and cooperative recovery projects, the budget includes increases of \$1.0 million for science to support pesticide consultations and \$4.4 million for listing activities. These increases are partially offset by a \$2.9 million program reduction in critical habitat and \$1.6 million in program reductions in other recovery activities.

Habitat Conservation – The budget includes \$112.4 million for Habitat Conservation, an increase of \$1.8 million compared with the 2012 level. In addition to programmatic increases for renewable energy and cooperative recovery, this includes an increase of \$500,000 for the National Wetlands Inventory. The increases to Habitat Conservation programs are partially offset by a \$803,000 program decrease in the Coastal Program.

Environmental Contaminants – The budget includes \$14.4 million for Environmental Contaminants, an increase of \$1.3 million compared with the 2012 level. This increase will be used to coordinate Natural Resource Damage Assessment activities with the National Oceanic and

Atmospheric Administration and expedite more settlements to restore polluted habitat.

National Wildlife Refuge System—Funding for the operation and maintenance of the national wildlife refuge system is requested at \$494.8 million, an increase of \$9.1 million above the 2012 level. In addition to programmatic increases for collaborative recovery activities, the request includes programmatic increases of \$3.0 million to the refuge inventory and monitoring program to develop baseline scientific data on ecological conditions across the refuge system, \$3.6 million for Challenge Cost Share partnerships, \$1.0 million for refuge law enforcement activities, and \$1.4 million for priority refuge operations. These increases are offset by program reductions in other refuge activities and a \$3.4 million reduction to reflect the transfer of refuge land protection planning activities to the Land Acquisition appropriation.

Law Enforcement – The budget provides \$63.9 million for the law enforcement program to investigate wildlife crimes and enforce the laws that govern the Nation's wildlife trade, an increase of \$1.8 million over the 2012 level. The request includes an increase of \$1.0 million to strengthen enforcement of conservation laws such as the Bald and Golden Eagle Protection Act in areas with energy development and a general program increase of \$300,000 for fuel and travel costs associated with investigating violations of Federal wildlife protection laws.

Migratory Bird Management – Funding for the Migratory Bird Management program is requested at \$51.1 million, a reduction of \$400,000 below the 2012 level. Included is a funding increase of \$750,000 in response to an increase in permit requests from the energy industry for compliance with the Endangered Species Act, Migratory Bird Treaty Act, and Bald and Golden Eagle Protection Act. To fund higher priority conservation activities, the budget includes program reductions of \$980,000 for the Avian Health and Disease Program and \$568,000 in general program activities.

Fisheries and Aquatic Resource Conservation – The budget request includes a total of \$131.6 million for the Fisheries and Aquatic Resource Conservation program, a decrease of \$3.7 million from the 2012 level. Facilitating the FWS role and responsibility in promoting ecosystem health, fisheries, and aquatic resource conservation, the budget includes program increases for cooperative recovery and ecosystem restoration, as well as \$1.5 million for fish passage improvements, \$1.6 million to implement the Klamath Basin Restoration Agreement, and \$2.9 million for Asian carp activities in the Great Lakes. These increases are offset by reductions in other program activities, including a \$3.2 million program reduction to costs associated with the production of fish for the purpose

of mitigating the effects of Federal water development projects. The FWS will continue to work to recover costs from responsible agencies in order to focus its base funding on native fish recovery and restoration.

Cooperative Landscape Conservation and Adaptive Science The budget request funds Cooperative Landscape Conservation and Adaptive Science programs at \$33.1 million, an increase of \$856,000 above 2012. This level of funding will support 14 operational Landscape Conservation Cooperatives. The request includes a program increase of \$770,000 to support Adaptive Science work under the Cooperative Recovery initiative. Working under the Strategic Habitat Conservation framework and in consultation with Landscape Conservation Cooperatives, the Cooperative Recovery program will consider and prioritize competitive project submissions for endangered species recovery projects on refuges or in surrounding ecosystems.

General Operations – The General Operations request totals \$153.0 million, an increase of \$6.3 million above the 2012 level. The increase includes a transfer of \$2.7 million from other activities within Resource Management to the FWS Office of Diversity and a program increase of \$346,000 for General Operations.

Construction – The 2013 Construction budget request totals \$19.1 million, a decrease of \$3.9 million below the 2012 level. The budget funds \$10.0 million for line-item construction projects, a \$3.9 million reduction from 2012. The specific refuge and fish hatchery projects funded within the request are ranked as the top priorities using the FWS merit-based process for identifying projects in the five-year construction plan.

Land Acquisition – The Land Acquisition request is \$106.9 million, a \$52.3 million increase compared to the 2012 level. This increase continues the Administration's commitment to protect sensitive areas where land acquisition is needed to conserve important habitat. The program continues to build on efforts started in 2011 and 2012 to strategically invest in interagency landscape-scale conservation projects while continuing to meet agency-specific programmatic needs. The Department of the Interior and the Forest Service collaborated extensively to develop a process to more effectively coordinate land acquisitions with government and local community partners to achieve the highest priority shared conservation goals.

Included in the budget is \$83.7 million for high priority line-item acquisition projects, selected based on their relative priority using a strategic, merit-based process with a focus on landscape conservation goals, leveraging with non-Federal partners, alignment with Interior Bureau projects, and collaboration with Federal agencies,

Tribes, States, and other partners. Interior land acquisition Bureaus worked together to align and prioritize projects in order to optimize landscape conservation goals.

Funding to administer land acquisition projects totals \$23.2 million in 2013, an increase of \$3.6 million. Of the amount provided, \$3.4 million is provided for Land Protection Planning. In prior years, this program was funded in the Resource Management account.

State and Tribal Wildlife Grants – The State and Tribal Wildlife Grants budget request is \$61.3 million, maintaining the 2012 enacted level. These grants will support high priority species conservation by States. In addition, the request proposes to shift the amount directed to States through formula grants to a competitive allocation, an increase of \$7.3 million over 2012. This change will improve the targeting of grants toward the highest priority conservation challenges and promote multi-State landscape level planning.

Cooperative Endangered Species Conservation Fund – The budget includes \$60.0 million for the Cooperative Endangered Species Conservation Fund, an increase of \$12.3 million over the 2012 level to support the America's Great Outdoors initiative using current grant authorities. Of the total funding, \$12.6 million is for conservation grants, \$7.0 million for Habitat Conservation Planning Assistance Grants, \$15.5 million to support Species Recovery Land Acquisition, \$21.9 million for HCPLand Acquisition Grants to States, and \$3.0 million for administrative costs.

Multinational Species Conservation Fund – The 2013 budget request includes \$10.0 million for the Multinational Species Conservation Fund, an increase of \$514,000 above the 2012 level. These grants are critical to the protection of African and Asian elephants, rhinoceros, tigers, great apes, and marine turtles and leverage funds from partners to nearly triple the available funding for these important species.

Neotropical Migratory Bird Conservation Fund – The 2013 request includes \$3.8 million for the Neotropical

Migratory Bird Conservation Fund, maintaining the 2012 level. Grants for the conservation of migratory birds are matched at least three-to-one by partners throughout the western hemisphere.

North American Wetlands Conservation Fund – The 2013 budget requests \$39.4 million for the North American Wetlands Conservation Fund, an increase of \$3.9 million over 2012 level. Projects funded through the standard and small grants program are leveraged by more than one-to-one with partners for wetlands and waterfowl conservation to support conservation and important sportsman activities.

National Wildlife Refuge Fund – The budget request eliminates the discretionary funding contribution to the National Wildlife Refuge Fund, a reduction of \$14.0 million below 2012. Since these payments collected by counties can be used for any purpose, the discretionary funding contribution does not significantly help to achieve conservation goals. The mandatory receipts collected and allocated under the program will remain a source of revenue for counties.

Coastal Impact Assistance Program – The request includes the cancellation of \$200.0 million of the unobligated balances in 2013 for the Coastal Impact Assistance Program.

Duck Stamp Legislative Proposal – The budget includes a proposal to increase the cost of a Federal Migratory Bird Hunting and Conservation Stamp to \$25.00 per year, beginning in 2013, from its current cost of \$15.00. With the additional receipts, the Department anticipates acquisition of approximately 7,000 additional acres in fee simple and approximately 10,000 additional conservation easement acres in 2013 to benefit waterfowl habitat. The legislation also proposes the price of a Federal Migratory Bird Hunting and Conservation Stamp can be increased after 2013 by the Secretary with approval of the Migratory Bird Conservation Commission.

Fixed Costs – Fixed costs of \$12.4 million are fully funded.

SUMMARY OF BUREAU APPROPRIATIONS
(all dollar amounts in thousands)

Comparison of 2013 Request with 2012 Enacted

	2012 Enacted		2013 Request		Change	
	FTE	Amount	FTE	Amount	FTE	Amount
Current						
Resource Management	7,240	1,226,177	7,158	1,247,044	-82	+20,867
Construction	82	23,051	82	19,136	0	-3,915
Land Acquisition.....	86	54,632	106	106,892	+20	+52,260
Cooperative Endangered Species Fund.....	18	47,681	18	60,000	0	+12,319
National Wildlife Refuge Fund.....	0	13,958	0	0	0	-13,958
North American Wetlands Conservation Fund.....	9	35,497	9	39,425	0	+3,928
Multinational Species Conservation Fund.....	4	9,466	4	9,980	0	+514
Neotropical Migratory Bird Grants	1	3,786	1	3,786	0	0
State and Tribal Wildlife Grants.....	23	61,323	23	61,323	0	0
Subtotal, Current (w/o cancellations)	7,463	1,475,571	7,401	1,547,586	-62	+72,015
Coastal Impact Assistance Program.....	0	0	0	-200,000	0	-200,000
Subtotal, Current (w/ cancellations).....	7,463	1,475,571	7,401	1,347,586	-62	-127,985
Permanent						
Federal Lands Recreation Enhancement Act	32	5,000	32	5,000	0	0
Migratory Bird Conservation Account	65	47,000	75	61,000	+10	+14,000
National Wildlife Refuge Fund.....	11	8,000	11	8,000	0	0
North American Wetlands Conservation Fund.....	0	651	0	700	0	+49
Sport Fish Restoration Account	53	433,943	53	445,538	0	+11,595
Federal Aid in Wildlife Restoration.....	52	399,178	52	413,240	0	+14,062
Miscellaneous Permanent Appropriations.....	5	4,366	5	4,366	0	0
Contributed Funds.....	18	4,000	18	4,000	0	0
Cooperative Endangered Species Fund.....	0	51,356	0	52,887	0	+1,531
Coastal Impact Assistance Program.....	15	0	15	0	0	0
Subtotal, Permanent.....	251	953,494	261	994,731	+10	+41,237
Reimbursement and Transfer						
Reimbursements.....	876	0	881	0	+5	0
Offsetting Collections	196	0	196	0	0	0
Energy Policy Act.....	19	0	19	0	0	0
Southern Nevada Public Lands Management Act.	21	0	21	0	0	0
Wildland Fire Management.....	471	0	440	0	-31	0
Natural Resource Damage Assessment.....	48	0	48	0	0	0
Central Hazardous Materials	7	0	7	0	0	0
Federal Roads (FHWA)	15	0	15	0	0	0
Forest Pest (Agriculture)	1	0	1	0	0	0
Subtotal, Reimbursement and Transfer	1,654	0	1,628	0	-26	0
TOTAL, FISH AND WILDLIFE SERVICE.....	9,368	2,429,065	9,290	2,342,317	-78	-86,748

HIGHLIGHTS OF BUDGET CHANGES
By Appropriation Activity/Subactivity

APPROPRIATION: Resource Management

	2011 Actual	2012 Enacted	2013 Request	Change
Ecological Services				
Endangered Species				
Candidate Conservation	11,448	11,337	11,463	+126
Listing	20,902	20,869	22,431	+1,562
Consultation.....	61,877	60,943	64,095	+3,152
Recovery	81,219	82,806	81,709	-1,097
Subtotal, Endangered Species	175,446	175,955	179,698	+3,743
Habitat Conservation	112,524	110,637	112,442	+1,805
Environmental Contaminants	13,316	13,128	14,393	+1,265
Subtotal, Ecological Services	301,286	299,720	306,533	+6,813
National Wildlife Refuge System				
Wildlife and Habitat Management	226,963	223,439	233,664	+10,225
Visitor Services	75,631	74,225	74,777	+552
Refuge Law Enforcement.....	38,071	37,373	38,611	+1,238
Conservation Planning.....	11,862	11,704	8,515	-3,189
Subtotal, Refuge Operations.....	352,527	346,741	355,567	+8,826
Refuge Maintenance	139,532	138,950	139,263	+313
Subtotal, NWR System	492,059	485,691	494,830	+9,139
Migratory Birds, Law Enforcement and Int'l Affairs				
Migratory Bird Management.....	52,175	51,453	51,063	-390
Law Enforcement				
Operations.....	62,061	61,168	62,926	+1,758
Equipment Replacement.....	869	975	975	0
Subtotal, Law Enforcement.....	62,930	62,143	63,901	+1,758
International Affairs.....	13,119	12,971	13,054	+83
Subtotal,Migratory Birds, Law Enforcement & Int'l Affairs ...	128,224	126,567	128,018	+1,451
Fisheries/ Aquatic Resources Conservation				
National Fish Hatchery System Ops	48,856	46,075	43,189	-2,886
Maintenance and Equipment	18,180	18,031	17,997	-34
Aquatic Habitat and Species Conserv.	71,903	71,211	70,421	-790
Subtotal, Fish/ Aquatic Resources	138,939	135,317	131,607	-3,710
Cooperative Landscape Conservation and Adaptive Science				
Cooperative Landscape Conserv	14,727	15,475	15,541	+66
Adaptive Science.....	16,243	16,723	17,513	+790
Subtotal, Cooperative Landscape Conserv / Adaptive Science.....	30,970	32,198	33,054	+856
General Operations				
Central Office Operations	42,720	38,605	41,846	+3,241
Regional Office Operations.....	42,836	40,951	42,626	+1,675
Operational Support.....	36,360	36,039	37,325	+1,286
Nat'l Conservation Training Center	23,930	23,564	23,680	+116
National Fish & Wildlife Foundation...	7,537	7,525	7,525	0
Subtotal, General Operations	153,383	146,684	153,002	+6,318
TOTAL APPROPRIATION	1,244,861	1,226,177	1,247,044	+20,867

*Detail of Budget Changes
Resource Management*

	2013 Change from 2012 Enacted		2013 Change from 2012 Enacted
TOTAL APPROPRIATION	+20,867		
Ecological Services	+6,813	Feral Swine Eradication Pilot Program	-998
Endangered Species	+3,743	Habitat Management	+1,423
Candidate Conservation.....	+126	Internal Transfers.....	-585
Internal Transfers.....	-33	Fixed Costs	+1,921
Fixed Costs	+159	Visitor Services.....	+552
Listing.....	+1,562	Youth and Careers in Nature	+128
Critical Habitat.....	-2,932	Internal Transfers.....	-288
Listing.....	+4,432	Fixed Costs	+712
Internal Transfers.....	-55	Refuge Law Enforcement.....	+1,238
Fixed Costs	+117	Enforcement Activities.....	+1,039
Consultation	+3,152	Internal Transfers.....	-110
Renewable Energy.....	+1,500	Fixed Costs	+309
Science for Pesticide Consultations.....	+1,000	Refuge Conservation Planning.....	-3,189
Internal Transfers.....	-190	Refuge CCPs.....	+189
Consultation Workload.....	+300	Internal Transfers.....	-3,471
Fixed Costs	+542	Fixed Costs	+93
Recovery	-1,097	Refuge Maintenance	+313
Wolf Livestock Loss Demonstration	-998	Internal Transfers.....	-291
State of the Birds Activities	-995	Fixed Costs	+604
Cooperative Recovery	+400		
Internal Transfers.....	-180	Migratory Birds Mgmt, Law Enforcement	
Fixed Costs	+676	and International Affairs.....	+1,451
Habitat Conservation.....	+1,805	Migratory Birds	-390
Partners for Fish and Wildlife Program	+1,089	Renewable Energy	+750
Cooperative Recovery	+883	Avian Health and Disease	-980
Internal Transfers.....	-112	Conservation and Monitoring	-546
Fixed Costs	+318	Internal Transfers.....	-111
Conservation Planning Assistance		Fixed Costs	+497
(Project Planning)	+915	Law Enforcement	+1,758
Renewable Energy.....	+750	Energy	+1,000
Other Project Planning.....	-91	Inspections and Enforcement.....	+293
Internal Transfers.....	-96	Internal Transfers.....	-121
Fixed Costs	+352	Fixed Costs	+586
Coastal Programs.....	-721	International Affairs.....	+83
Coastal Program Reduction	-803	Internal Transfers.....	-28
Internal Transfers.....	-30	Fixed Costs	+111
Fixed Costs	+112		
National Wetlands Inventory.....	+522	Fisheries and Aquatic Resource Conservation	-3,710
Accelerating CBRA Mapping.....	+500	National Fish Hatchery Operations.....	-2,886
Internal Transfers.....	-8	Mitigation Hatcheries	-3,229
Fixed Costs	+30	Internal Transfers.....	-165
Environmental Contaminants	+1,265	Fixed Costs	+508
Settlements and Restoration Agreements	+1,200	Maintenance and Equipment	-34
Internal Transfers.....	-39	Internal Transfers.....	-34
Fixed Costs	+104	Aquatic Habitat and Species Conservation.....	-790
National Wildlife Refuge System.....	+9,139	Fish Passage Improvements.....	+1,518
Wildlife and Habitat Management	+10,225	Klamath Basin Restoration Agreement	+1,610
Challenge Cost Sharing Partnerships.....	+3,600	Alaska Fisheries Subsistence.....	-2,254
Climate Change/Inventory & Monitoring	+3,000	Ecosystem Restoration - Chesapeake Bay.....	+145
Cooperative Recovery	+2,500	Cooperative Recovery.....	+800
Alaska Subsistence	-636	State Plans/NISA Implementation /	
		Coordination	+123
		Control and Management	-507

Detail of Budget Changes
Resource Management (continued)

	2013 Change from 2012 Enacted		2013 Change from 2012 Enacted
Asian Carp	+2,903	Adaptive Science	+790
Prevention.....	-149	Cooperative Recovery.....	+770
Quagga-Zebra Mussels.....	-1,997	Internal Transfers.....	-1
Habitat and Population Assessment.....	-3,676	Fixed Costs	+21
Internal Transfers.....	-143		
Fixed Costs	+837	General Operations.....	+6,318
Cooperative Landscape Conservation		General Program Activities.....	+346
and Adaptive Science	+856	Internal Transfers.....	+2,666
Cooperative Landscape Conservation	+66	Fixed Costs	+3,306
Internal Transfers.....	-9		
Fixed Costs	+75	Subtotals for Changes Across Multiple Subactivities	
		Internal Transfers.....	[-3,434]
		Fixed Costs	[+11,990]

APPROPRIATION: Construction

	2011 Actual	2012 Enacted	2013 Request	Change
Line Item Construction.....	9,810	12,129	8,195	-3,934
Dam Safety	1,113	1,113	1,113	0
Bridge Safety	738	739	739	0
Engineering Services.....	9,143	9,070	9,089	+19
TOTAL APPROPRIATION	20,804	23,051	19,136	-3,915

See Appendix J for proposed 2013 construction projects.

Detail of Budget Changes

	2013 Change from 2012 Enacted
TOTAL APPROPRIATION	-3,915
Construction Projects.....	-4,046
Fixed Costs	+131

APPROPRIATION: Land Acquisition

	2011 Actual	2012 Enacted	2013 Request	Change
Acquisition Management.....	10,534	10,538	10,739	+201
Land Protection Planning	0	0	3,434	+3,434
User Pay Cost Share.....	1,996	1,997	2,003	+6
Acquisition - Federal Refuge Lands	35,374	35,109	83,741	+48,632
Exchanges.....	1,996	2,496	1,995	-501
Inholdings, Emergencies, and Hardships	4,990	4,492	4,980	+488
TOTAL APPROPRIATION	54,890	54,632	106,892	+52,260

See Appendix F for proposed 2013 land acquisition projects.

Detail of Budget Changes

2013 Change
from 2012 Enacted

TOTAL APPROPRIATION	+52,260
Land Acquisition Management.....	-63
Land Acquisition Refuges.....	+48,632
Internal Transfers	+3,434
Fixed Costs	+257

APPROPRIATION: Cooperative Endangered Species Conservation Fund

	2011 Actual	2012 Enacted	2013 Request	Change
Section 6 Grants to States				
Conservation Grants to States.....	11,101	10,529	12,601	+2,072
HCP Assistance Grants.....	10,000	9,485	7,000	-2,485
Species Recovery Land Acquisition	11,000	9,984	15,487	+5,503
HCP Land Acquisition Grants/States..	19,938	14,976	21,938	+6,962
Snake River Water Rights Act of 2004..	4,987	0	0	0
Administration	2,854	2,707	2,974	+267
TOTAL APPROPRIATION	59,880	47,681	60,000	+12,319

Detail of Budget Changes

2013 Change
from 2012 Enacted

TOTAL APPROPRIATION	+12,319
Conservation Grants to States.....	+2,072
HCP Assistance Grants.....	-2,485
Species Recovery Land Acquisition	+5,503
HCP Land Acquisition Grants	+6,962
Administration	+267

APPROPRIATION: National Wildlife Refuge Fund

	2011 Actual	2012 Enacted	2013 Request	Change
TOTAL APPROPRIATION	14,471	13,958	0	-13,958

Detail of Budget Changes

	2013 Change from 2012 Enacted
TOTAL APPROPRIATION	-13,958
Payments to Counties - Current.....	-13,958

APPROPRIATION: North American Wetlands Conservation Fund

	2011 Actual	2012 Enacted	2013 Request	Change
TOTAL APPROPRIATION	37,425	35,497	39,425	+3,928

Detail of Budget Changes

	2013 Change from 2012 Enacted
TOTAL APPROPRIATION	+3,928
Wetlands Conservation	+3,771
Administration	+157

APPROPRIATION: Multinational Species Conservation Fund

	2011 Actual	2012 Enacted	2013 Request	Change
African Elephant Conservation.....	1,735	1,645	1,697	+52
Rhinoceros and Tiger Conservation	2,604	2,471	2,695	+224
Asian Elephant Conservation.....	1,735	1,645	1,697	+52
Great Ape Conservation.....	2,170	2,059	2,194	+135
Marine Turtle Conservation.....	1,736	1,646	1,697	+51
TOTAL APPROPRIATION	9,980	9,466	9,980	+514

APPROPRIATION: Neotropical Migratory Bird Conservation

	2011 Actual	2012 Enacted	2013 Request	Change
TOTAL APPROPRIATION	3,992	3,786	3,786	0

APPROPRIATION: State and Tribal Wildlife Grants

	2011 Actual	2012 Enacted	2013 Request	Change
TOTAL APPROPRIATION	61,876	61,323	61,323	0

Detail of Budget Changes

2013 Change
from 2012 Enacted

TOTAL APPROPRIATION	0
State Formula Grants.....	-7,268
Competitive Grant Program (States).....	+7,268

APPROPRIATION: Landowner Incentive Program Rescission

	2011 Actual	2012 Enacted	2013 Request	Change
TOTAL APPROPRIATION	-3,049	0	0	0



NATIONAL PARK SERVICE

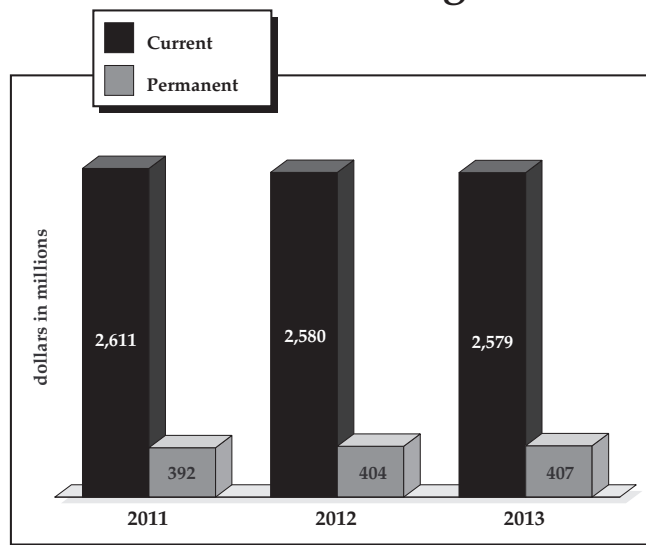
Mission—As stated in its original authorizing legislation, the National Park Service mission is to “preserve unimpaired the natural and cultural resources and values of the national park system for the enjoyment, education, and inspiration of this and future generations.”

Budget Overview – The NPS 2013 budget request of \$2.6 billion is \$1.0 million below the 2012 enacted level. The NPS estimates staffing will equal 21,689 full time equivalents in 2013, a reduction of 218 FTE from 2012. The 2013 President’s budget request provides increases totaling \$39.2 million to fund essential programs and emerging operational needs and \$67.2 million in strategic reductions in park and program operations, line-item construction, and heritage partnership programs.

In 2013, NPS will carry on its stewardship of cultural and natural treasures of national significance and continue to provide enriching experiences and enjoyment for all visitors including perhaps the Nation’s most important resource – its youth. The NPS program activities will protect and restore ecosystems, preserve and conserve cultural resources, provide visitors venues for physical activity and natural experiences, and assist States and local communities develop recreational sites and facilities and preserve historic assets. In addition, NPS supports the economic health of gateway communities; every dollar invested in NPS operations generates approximately \$10 in gross sales revenue and every two NPS jobs yields one job outside the NPS.

The 2013 President’s budget request increases funding for programs funded through the Land and Water Conservation Fund and maintains funding for historic grant programs which, along with NPS operations, support the President’s America’s Great Outdoors initiative. The increase to Federal land acquisition includes projects that strategically invest in interagency landscape-scale conservation projects while continuing to meet agency-specific programmatic needs. The increase for the State Conservation Grants program includes a new competitive State Conservation grant that would focus on urban landscapes and collaborative conservation.

NPS Funding



America’s Great Outdoors—In 2013, a total of \$2.4 billion is proposed for the National Park Service as part of the Administration’s initiative to reconnect Americans to the outdoors. This includes \$2.3 billion for park operations, as represented by the Operation of the National Park System account, which is an increase of \$13.5 million over 2012. The NPS will continue to engage visitors in the great outdoors and protect and interpret cultural and natural resources. The 2013 budget proposal provides a program increase of \$610,000 for the Challenge Cost Share program, for a total funding level of \$1.0 million. The CCS program, a partnership component of America’s Great Outdoors, provides matching funds to qualified partners for projects that preserve and improve NPS natural, cultural, and recreational resources. The 2013 request also continues to support important ecosystem restoration projects such as in the Everglades and Chesapeake Bay.

The 2013 budget also includes increases for programs funded through the Land and Water Conservation Fund, a vital component of the America’s Great Outdoors initiative. The 2013 budget proposal includes \$59.4 million for Federal land acquisition, an increase of \$2.5 million, and

NATIONAL PARK SERVICE FACTS

- In 1916 Congress created the National Park Service also known as “America’s Best Idea.”
- There are 397 park units, which encompass 84.4 million acres in 49 States and four Territories.
- In 2010, over 281 million people visited the Nation’s national parks.
- In 2011, almost 26,000 individual full and part time employees and 229,000 volunteers worked to preserve, protect, and share the history of this land and its people.
- The NPS workforce is made up of archeologists, engineers, curators, biologists, hydrologists, historians, law enforcement officers, and many other disciplines.
- The NPS collaborates with Tribes, States, local governments, nonprofits, and historic property owners who share in preserving the Nation’s shared heritage.

\$60.0 million for LWCF State grants, an increase of \$15.1 million. The 2013 Federal Land Acquisition program builds on efforts started in 2011 and 2012 to strategically invest in interagency landscape-scale conservation projects while continuing to meet agency-specific programmatic needs. The Interior Department and the Forest Service collaborated extensively to develop a process to more effectively coordinate land acquisitions with government and local community partners to achieve the highest priority shared conservation goals.

The Federal Land Acquisition program maintains \$9.0 million in funding for American Battlefield Protection land acquisition grants for non-Federal entities. The budget also requests \$1.4 million for American Battlefield Protection assistance grants in the National Recreation and Preservation account. In addition, the budget sustains funding of \$55.9 million for Historic Preservation Fund grants-in-aid to States, Territories, and Tribes and \$10.0 million for the Rivers, Trails, and Conservation Assistance program. These programs support NPS stewardship of important cultural resources and ecosystems, and assist States, local communities, and other groups in developing recreational sites and facilities to protect and conserve important, non-Federal cultural and historic assets.

Park Operations—The 2013 NPS budget request for operations is \$2.3 billion, an increase of \$13.5 million above the 2012 enacted level. The 2013 request for operations funds fixed costs of \$26.0 million and \$12.2 million in program increases for NPS park operations. These increases are offset with \$24.8 million in strategic program reductions to park operations and servicewide programs.

The budget includes a program increase of \$2.0 million for U.S. Park Police operations. Of this amount, \$600,000 will provide additional U.S. Park Police patrols and administrative support at national icons in Washington, D.C. and New York City. The remaining \$1.4 million is for U.S. Park Police activities associated with the 2013

Presidential Inauguration. An increase of \$1.2 million is requested for National Capital Parks, particularly the National Mall, which provides a wide variety of visitor orientation and safety services during the inauguration. The total request for the Presidential Inauguration is \$2.6 million.

The 2013 budget funds emerging operational needs including a \$1.6 million program increase for the implementation of the Financial and Business Management System, a \$1.4 million program increase to fund fee and rate increases for water and sewer service in the District of Columbia, and a \$178,000 program increase to match Canadian funding for Roosevelt-Campobello International Park as stipulated by the park’s authorizing legislation.

The 2013 budget also includes program increases that will enhance critical resource stewardship activities, including an additional \$5.0 million for Climate Change Adaptive Management tools, for a total funding of \$8.0 million, to support climate-related monitoring systems and the development of appropriate land, water, and wildlife adaptation strategies. The NPS monitors the most vulnerable parks in high elevations, high latitudes, arid lands, and coastal areas for climate effects, such as melting permafrost in Alaska and salt marsh salinity along the South Atlantic coast. The NPS takes action to mitigate the effects of climate change on park resources based on feedback obtained by this monitoring. The 2013 proposal includes a program increase of \$250,000 for NPS to expand integrated ocean and coastal stewardship activities by working with its partners at the 74 park units that are adjacent to an ocean or the Great Lakes ecosystem, consistent with the Administration’s Final Recommendations of the Interagency Ocean Policy Task Force report. The NPS will continue restoration activities in key water-based ecosystems, such as the Everglades.

The budget includes program reductions of \$21.6 million, or 1.6 percent, for park base operations and \$1.0

million for servicewide programs. These reductions will be applied strategically to minimize the impact on the visitor experience and park resources. The budget also includes a program reduction of \$2.2 million for the National Performing Arts Program which does not directly impact park operations.

Land Acquisition and State Assistance – The NPS land acquisition program provides funding to acquire land or interests in land to preserve nationally important natural and historic resources. The 2013 budget requests \$59.4 million for NPS Federal land acquisition, an increase of \$2.5 million over the 2012 enacted level. The budget provides \$31.5 million for high priority line item-acquisition projects within park boundaries including important acquisitions within multiple NPS park sites that commemorate the Civil War. The requested funding level also includes \$9.0 million for matching grants for States and local entities to acquire Civil War battlefield sites outside the national park system. The 2013 Federal land acquisition projects were selected using a strategic, merit-based process with a focus on conserving critical ecosystems, leveraging non-Federal partners, and strategic alignment with the conservation priorities of Interior bureaus, Federal agencies, Tribes, States, and other stakeholders. The budget also requests \$3.1 million for emergencies and hardships land acquisitions, \$6.4 million to acquire inholdings and facilitate land donations and exchanges, and \$9.5 million for land acquisition administration.

The LWCF State Grant program provides funding to States for the purchase of lands for preservation and recreation purposes. Based on public input at America's Great Outdoors listening sessions across the Country, the budget recognizes the need for additional recreational access and opportunities at the local level. Therefore, the 2013 request provides a total of \$60.0 million for this program, an increase of \$15.1 million over the 2012 enacted level. Of the funding available for grants, \$36.5 million will continue to be distributed equally to States. The 2013 budget funds a \$20.0 million competitive grant component that supports urban parks and community greenspaces, blueways, and landscape level conservation projects in communities that need them the most. A total of \$3.5 million is available to administer these grants.

Construction – The 2013 request includes \$131.2 million for construction projects, equipment replacement, management, planning, operations, and special projects. The construction budget is \$24.2 million below the 2012 enacted level, primarily due to reductions in line-item construction projects. The budget funds \$52.4 million for line-item construction projects, a \$25.3 million reduction from 2012. It provides funding for only the highest

priority construction projects that are critical to visitor and employee health and safety and does not propose funding new construction projects. In addition, the budget includes reductions of \$760,000 to the Housing Improvement Program and \$228,000 for Equipment Replacement. It also includes program reductions of \$1.5 million to construction program management and operations, \$443,000 to construction planning, and \$450,000 to management planning.

National Recreation and Preservation – This appropriation supports local community efforts to preserve natural and cultural resources. The 2013 request includes \$52.1 million for these programs. In response to the strong public desire for additional technical assistance for public recreation and conservation projects during America's Great Outdoors listening sessions, the 2013 budget maintains \$10.0 million for the Rivers, Trails, and Conservation Assistance program. The budget funds \$9.3 million for Heritage Partnership Programs, a reduction of \$8.1 million to National Heritage Areas, to encourage self-sufficiency for these non-Federal organizations.

Historic Preservation – The Historic Preservation Fund supports Historic Preservation Offices in States, Territories, and tribal lands to preserve historically and culturally significant sites. The grants awarded by these offices are an important part of the America's Great Outdoors initiative, which aims to connect people with the Nation's cultural and historic assets, among other goals. The 2013 budget request for the Historic Preservation Fund is \$55.9 million. Funds are distributed by formula, based on population and number of historic entities served, along with other criteria.

Recreational Fee Program – This permanent funding program operates under the Federal Lands Recreation Enhancement Act. The Act authorizes NPS to collect recreation fees at selected parks and requires that fee revenues be used to improve visitor services and enhance the visitor experience at those parks and throughout the national park system. The NPS estimates in 2013 it will collect \$172.0 million in revenues and obligate \$172.9 million in recreation fees for projects. In 2011, 47 percent of NPS recreation fee obligations addressed asset repair and maintenance projects, 19 percent addressed interpretation and visitor services, and 10 percent addressed habitat restoration. The remaining 24 percent of recreation fee obligations were spent on operational activities such as law enforcement, cost of collecting fees, and visitor reservation services.

Fixed Costs – Fixed costs of \$27.0 million are fully funded in the request.

SUMMARY OF BUREAU APPROPRIATIONS
(all dollar amounts in thousands)

Comparison of 2013 Request with 2012 Enacted

	2012 Enacted		2013 Request		Change	
	FTE	Amount	FTE	Amount	FTE	Amount
Current						
Operation of the National Park System.....	17,008	2,236,568	16,835	2,250,050	-173	+13,482
National Recreation and Preservation	260	59,879	260	52,096	0	-7,783
Historic Preservation Fund.....	0	55,910	0	55,910	0	0
Construction	486	155,366	469	131,173	-17	-24,193
Land Acquisition and State Assistance	111	101,897	116	119,421	+5	+17,524
LWCF Contract Authority (rescission).....	0	-30,000	0	-30,000	0	0
Subtotal, Current	17,865	2,579,620	17,680	2,578,650	-185	-970
Permanent						
Recreation Fee Permanent Appropriations	1,614	187,677	1,614	188,072	0	+395
Other Permanent Appropriations	477	161,217	477	164,310	0	+3,093
Miscellaneous Trust Funds	184	25,004	184	25,004	0	0
Outer Continental Shelf Oil Lease Revenue.....	0	105	0	94	0	-11
LWCF Contract Authority.....	0	30,000	0	30,000	0	0
Subtotal, Permanent.....	2,275	404,003	2,275	407,480	0	+3,477
Allocation and Reimbursable						
Allocation	934	0	901	0	-33	0
Reimbursable	833	0	833	0	0	0
Subtotal, Allocation and Reimbursable	1,767	0	1,734	0	-33	0
TOTAL, NATIONAL PARK SERVICE	21,907	2,983,623	21,689	2,986,130	-218	+2,507

HIGHLIGHTS OF BUDGET CHANGES

By Appropriation Activity/Subactivity

APPROPRIATION: Operation of the National Park System

	2011 Actual	2012 Enacted	2013 Request	Change
Park Management				
Resource Stewardship	334,420	329,842	333,415	+3,573
Visitor Services	238,733	239,348	237,808	-1,540
Park Protection	364,317	360,669	362,998	+2,329
Facility Ops and Maintenance.....	688,496	683,390	681,807	-1,583
Park Support	457,621	454,400	454,366	-34
Subtotal, Park Management	2,083,587	2,067,649	2,070,394	+2,745
External Administrative Costs	166,463	168,919	179,656	+10,737
TOTAL APPROPRIATION <i>(w/o transfers)</i>	2,250,050	2,236,568	2,250,050	+13,482
Transfers	277	0	0	0
TOTAL APPROPRIATION <i>(w/ transfers)</i>	2,250,327	2,236,568	2,250,050	+13,482

Detail of Budget Changes

	2013 Change from 2012 Enacted		2013 Change from 2012 Enacted
TOTAL APPROPRIATION	+13,482		
Park Management	+2,745	Facility Operations and Maintenance	-1,583
Resource Stewardship	+3,573	Park Base Operations	-7,559
Park Base Operations	-3,957	Central Office and Park Support	-175
Central Office and Park Support	-100	Challenge Cost Share Program	+610
Ocean and Coastal Resource Stewardship.....	+250	DC Water and Sewer	+1,376
Climate Change Adaptive Management.....	+4,998	Fixed Costs	+4,165
Fixed Costs	+2,382		
Visitor Services.....	-1,540	Park Support	-34
Park Base Operations	-2,688	Park Base Operations	-4,551
2013 Presidential Inauguration (NCA Parks)....	+1,200	Central Office and Park Support	-725
National Capital Performing Arts Program	-2,197	FBMS Implementation	+1,597
Fixed Costs	+2,145	Roosevelt-Campobello Treaty Agreement	+178
		Fixed Costs	+3,467
Park Protection	+2,329		
Park Base Operations	-2,805	External Administrative Costs	+10,737
USPP Security at National Icons	+600	Fixed Costs	+10,737
2013 Presidential Inauguration (USPP)	+1,400		
Fixed Costs	+3,134	Subtotals for Changes Across Multiple Subactivities	
		Park Base Operations.....	[-21,560]
		Central Office and Park Support	[-1,000]
		2013 Presidential Inauguration	[+2,600]
		Fixed Costs	[+26,030]

APPROPRIATION: National Recreation and Preservation

	2011 Actual	2012 Enacted	2013 Request	Change
Recreation Programs.....	587	584	590	+6
Natural Programs.....	11,172	13,354	13,531	+177
Cultural Programs.....	24,882	24,764	24,819	+55
Environmental Compliance and Review.....	433	430	434	+4
Grants Administration	1,749	1,738	1,758	+20
International Park Affairs	1,646	1,636	1,648	+12
Heritage Partnership Programs	17,401	17,373	9,316	-8,057
TOTAL APPROPRIATION	57,870	59,879	52,096	-7,783

Detail of Budget Changes**2013 Change
from 2012 Enacted**

TOTAL APPROPRIATION	-7,783
Recreation Programs.....	+6
Fixed Costs	+6
Natural Programs.....	+177
Fixed Costs	+75
Transfer	+102
Cultural Programs.....	+55
Fixed Costs	+157
Transfer	-102
Environmental Compliance and Review.....	+4
Fixed Costs	+4
Grants Administration	+20
Fixed Costs	+20
International Park Affairs	+12
Fixed Costs	+12
Heritage Partnership Programs	-8,057
National Heritage Areas.....	-8,101
Fixed Costs	+44
Subtotals for Changes Across Multiple Subactivities	
Fixed Costs	[+318]

APPROPRIATION: Historic Preservation Fund

	2011 Actual	2012 Enacted	2013 Request	Change
Grants-in-Aid				
Grants-in-Aid to States and Territories	46,407	46,925	46,925	0
Grants-in-Aid to Indian Tribes.....	7,984	8,985	8,985	0
TOTAL APPROPRIATION	54,391	55,910	55,910	0

APPROPRIATION: Construction

	2011 Actual	2012 Enacted	2013 Request	Change
Line Item Construction.....	121,159	77,722	52,420	-25,302
Special Programs.....	25,026	21,791	20,803	-988
Construction Planning.....	10,104	7,700	7,260	-440
Construction Program Mgmt and Ops	38,527	37,530	37,049	-481
Management Planning	14,830	14,623	13,641	-982
TOTAL APPROPRIATION <i>(w/o rescissions)</i>	209,646	159,366	131,173	-28,193
Rescissions of PY Budget Authority	-25,000	-4,000	0	+4,000
TOTAL APPROPRIATION <i>(w/ rescissions)</i>	184,646	155,366	131,173	-24,193

See Appendix J for proposed 2013 construction projects.

Detail of Budget Changes

2013 Change
from 2012 Enacted

TOTAL APPROPRIATION	-24,193
Line Item Construction.....	-25,302
Line Item Construction Program	-25,302
Special Programs	-988
Housing Improvement Program.....	-760
Equipment Replacement Program.....	-228
Construction Planning.....	-440
Construction Planning.....	-443
Fixed Costs	+3
Construction Program Mgmt and Ops	-481
Denver Service Center Operations	-665
Harpers Ferry Center Operations	-850
Fixed Costs	+406
Transfer	+628
Management Planning	-982
Unit Management Plans	-225
Special Resource Studies	-225
Fixed Costs	+96
Transfer	-628
Technical Adjustment Related to	
One-Time Rescission of PY Budget Authority	+4,000
Subtotals for Changes Across Multiple Subactivities	
Fixed Costs	[+505]

APPROPRIATION: Land Acquisition and State Assistance

	2011 Actual	2012 Enacted	2013 Request	Change
Federal Land Acquisition				
Federal Land Acquisition Admin	7,134	9,485	9,500	+15
Emergencies, Hardship, Relocation.....	1,007	2,995	3,069	+74
Inholdings, Donations, Exchanges	5,000	4,992	6,364	+1,372
American Battlefield Protection				
Program Acquisition Grants.....	8,982	8,986	8,986	0
Land Acquisition Projects	32,767	30,511	31,502	+991
Subtotal, Federal Land Acquisition	54,890	56,969	59,421	+2,452
State Assistance				
State Conservation Grants Admin.....	2,794	2,790	3,500	+710
State Conservation Grants	37,126	42,138	36,500	-5,638
Competitive State Grants	0	0	20,000	+20,000
Subtotal, State Assistance.....	39,920	44,928	60,000	+15,072
TOTAL APPROPRIATION	94,810	101,897	119,421	+17,524

See Appendix F for proposed 2013 land acquisition projects.

Detail of Budget Changes**2013 Change
from 2012 Enacted**

TOTAL APPROPRIATION	+17,524
Federal Land Acquisition.....	+2,452
Emergencies, Hardships, Relocations	+74
Inholdings, Donations, Exchanges	+1,372
Federal Land Acquisition Projects	+991
Fixed Costs	+15
State Assistance	+15,072
State Conservation Grants Administration	+581
State Conservation Grants	-5,638
Competitive State Grants	+20,000
Fixed Costs	+129
Subtotals for Changes Across Multiple Subactivities	
Fixed Costs	[+144]

APPROPRIATION: Land and Water Conservation Fund Contract Authority

	2011 Actual	2012 Enacted	2013 Request	Change
TOTAL APPROPRIATION (<i>rescission</i>)	-30,000	-30,000	-30,000	0



INDIAN AFFAIRS

Mission – The mission of the Bureau of Indian Affairs is to enhance the quality of life, to promote economic opportunity, and to carry out the responsibility to protect and improve the trust assets of American Indians, Indian Tribes, and Alaska Natives. The mission of the Bureau of Indian Education is to provide quality education opportunities from early childhood through life in Indian Country for individuals attending BIE schools.

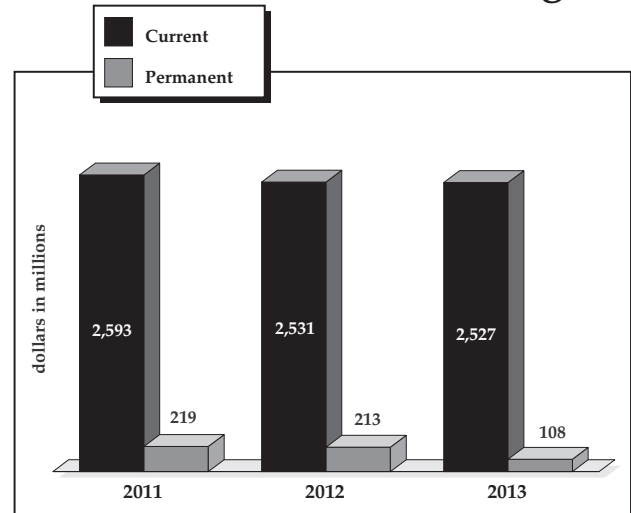
Budget Overview – The 2013 President's budget request for Indian Affairs is \$2.5 billion in current appropriations, which is \$4.6 million below the 2012 enacted level. The BIA estimates staffing will equal 8,126 full time equivalents in 2013, a reduction of 192 FTE from 2012.

Strengthening Tribal Nations Initiative – The Strengthening Tribal Nations Initiative is a multi-faceted effort that will advance Nation-to-Nation relationships, improve Indian education for BIE students, protect Indian communities, and enhance trust land management, with an ultimate goal of greater self-determination.

Advancing Nation-to-Nation Relationships – In total, \$12.3 million in programmatic increases are requested in the 2013 budget for these efforts. The funding increase of \$8.8 million in contract support and Indian self-determination funds will strengthen the capacity of Tribes to manage the Federal programs for which they contract, as well as eliminate the need for Tribes to use program funds to fulfill administrative requirements. The budget includes an increase of \$3.5 million for Indian Land and Water Claim Settlements including funds to continue work on the Navajo-Gallup Water Supply Project.

Achieving Better Results – The budget request includes \$65.3 million in reductions resulting from strategies for improving the effectiveness and efficiency of operating Indian programs including streamlining measures of \$19.7 million, administrative savings of \$13.8 million, and program reductions of \$33.1 million. The budget also proposes to transfer funding of \$1.3 million for the Indian Arts and Crafts Board from the Office of the Secretary to Indian Affairs in order to better protect Indian artifacts.

Indian Affairs Funding



Protecting Indian Country – The 2013 request provides a programmatic increase of \$11.0 million over the 2012 enacted level. Of this increase, \$3.5 million is to hire additional tribal and bureau law enforcement personnel. Another \$6.5 million will fund staff increases at newly constructed tribal and Bureau detention centers. An increase of \$1.0 million is for Tribal Courts, which are expected to see an increase in caseloads as a result of enforcing the Tribal Law and Order Act of 2010.

Improving Trust Land Management – The 2013 budget includes \$15.4 million in programmatic increases for improving trust land and water management activities. In Trust Natural Resources, BIA requests a total of \$7.8 million in program increases including \$3.5 million for the Rights Protection Implementation program and \$2.0 million for the Tribal Management and Development Program to support fishing, hunting, and gathering rights on and off reservations. The budget request provides program increases of \$1.0 million for the Forestry program and \$500,000 for the Invasive Species program. An increase of \$800,000 supports greater BIA and tribal participation in the Landscape Conservation Cooperatives, for a total program of \$1.0 million.

INDIAN AFFAIRS
FACTS

- The Bureau of Indian Affairs was established in 1824 under the War Department and transferred to the Department of the Interior in 1849.
- Provides services to approximately 1.7 million American Indians and Alaska Natives in 566 federally recognized Tribes in the 48 contiguous States and Alaska.
- Administers and manages 56 million surface acres and 57 million acres of subsurface minerals estates held in trust by the U.S. for individuals and Tribes.
- The Bureau of Indian Education provides education services to approximately 41,000 Indian students through 183 schools and dormitories. The BIE also provides funding to 31 colleges, universities, and post secondary schools.
- Employs approximately 9,000 personnel of whom about 83 percent are American Indian or Alaska Native.

Within Trust Real Estate Services, a total of \$7.0 million in program increases is directed toward improving trust land management activities, including \$5.5 million to continue implementation of the Klamath Basin Restoration Agreement. The 2013 request provides \$1.5 million for Litigation Support/ Attorney Fees, provides funding for Tribes to protect tribal trust resources. In Other Program Management Construction, the budget includes a program increase of \$550,000 for the Fort Peck Water System, a new water treatment plant facility expected to be fully operational in 2012.

Advancing Indian Education – The budget provides program increases of \$5.2 million for activities funded by BIE. Included in these increases is \$2.0 million for Tribal Grant Support Costs, which funds administrative and indirect costs of operating tribally-run schools under contract or grant authorization. Tribal colleges and universities provide local communities with the resources and facilities to teach community members the skills they need to be successful and overcome the barriers to Indian higher education. In 2013, the budget request provides a program increase of \$2.5 million for Tribal Colleges and Universities to assist in improving the quality of life in tribal communities. To further achieve this goal, the request also provides program increases of \$610,000 for Scholarships and Adult Education and \$100,000 for Special Higher Education Scholarships, for a total of over \$51 million.

New Energy Frontier Initiative–The 2013 budget request provides a total of \$8.5 million, the same as in 2012, to support energy resource development on tribal lands. Of that amount, \$6.0 million is provided for renewable energy projects. The primary purpose of these projects is to provide a reliable renewable energy resource that will be utilized in manufacturing or alternatively, industrial processes on Indian Trust lands. The remaining \$2.5

million is provided for conventional energy and audit compliance in support of leasing activities on the Fort Berthold Reservation.

Operation of Indian Programs – The 2013 budget request for the Operation of Indian Programs account is funded at \$2.4 billion, an increase of \$11.7 million above the 2012 enacted level. The Bureau will undergo a horizontal consolidation in 2013 to streamline and improve oversight operations. The BIA will engage in extensive consultation with Tribes to identify strategies that will ensure tribal needs and priorities are addressed. Following consultation, BIA will construct an implementation plan for a more streamlined, cost-effective organization. This streamlining is being undertaken to protect and ensure vital funds go directly into the community and BIA operations are as efficient and effective as possible.

The 2013 request includes program decreases totaling \$13.2 million including \$2.6 million for Law Enforcement Special Initiatives, reducing the Bureau's participation in activities for intelligence sharing and along the southwestern border. The budget includes a program reduction of \$6.1 million for Information Resources Technology supporting standardization across Indian Affairs and consolidation of its infrastructure. The budget contains a decrease of \$4.5 million for the Indian Student Equalization Program, due to declining enrollment and efficiency improvements.

Construction–The 2013 budget requests \$105.9 million for Construction, \$17.7 million below the 2012 enacted level. Included in the Construction request is \$52.9 million for Education Construction consisting of a program decrease of \$17.8 million for Replacement School Construction. Indian Affairs will continue to address the building conditions of existing school facilities in 2013 through the Facilities Improvement and Repair program rather than

through new construction projects. The request includes \$11.3 million for Public Safety and Justice Construction, \$32.7 million for Resources Management Construction, and \$9.0 million for Other Program Construction. Within Other Program Construction, the 2013 request includes \$750,000 for the Fort Peck Water System, a program increase of \$550,000 above the 2012 enacted level.

Tribal Priority Allocations – Collectively, the budget proposes a total of \$897.4 million in Tribal Priority Allocations, which is an increase of \$17.9 million over the 2012 enacted level.

Resolving Land and Water Claims – The 2013 budget request for Indian Land and Water Claim Settlements is \$36.3 million. The budget request includes \$9.5 million for the last of the required payments for the Nez Perce/ Snake River Water Rights Settlement.

The budget includes \$12.0 million for the Shoshone-Paiute Tribes of the Duck Valley Reservation Water Settlement, the fourth of five payments to satisfy this requirement. The budget also includes \$6.0 million for the Navajo Nation Water Resources Development Trust Fund. A total of \$7.8 million, including a program increase of \$3.4 million, is included for the San Juan Conjunctive Use Wells and San Juan River Navajo Irrigation Project Rehabilitation, both part of the Navajo-Gallup Water Supply Project. Funding of \$1.0 million is included for other Indian Land and Water Settlements.

Indian Guaranteed Loan Program – The budget provides \$5.0 million for the loan program, a reduction of \$2.1 million from the 2012 enacted level, while the program undergoes an independent evaluation.

Fixed Costs – Fixed costs of \$16.8 million are fully funded.

SUMMARY OF BUREAU APPROPRIATIONS (all dollar amounts in thousands)

Comparison of 2013 Request with 2012 Enacted

	2012 Enacted		2013 Request		Change	
	FTE	Amount	FTE	Amount	FTE	Amount
Current						
Operation of Indian Programs	6,050	2,367,738	5,898	2,379,431	-152	+11,693
Reimbursable Programs	935	0	935	0	0	0
Allocations from Other Agencies	473	0	428	0	-45	0
Construction	104	123,630	104	105,910	0	-17,720
Reimbursable Programs	6	0	6	0	0	0
Allocations from Other Agencies	418	0	418	0	0	0
Indian Land and Water Claim Settlements and Miscellaneous Payments to Indians	0	32,802	5	36,293	+5	+3,491
Indian Guaranteed Loan Program Account	0	7,103	0	5,000	0	-2,103
Subtotal, Current	7,986	2,531,273	7,794	2,526,634	-192	-4,639
Permanent and Trust						
Operation and Maintenance of Quarters	51	5,533	51	5,528	0	-5
Miscellaneous Permanent Appropriations	281	98,588	281	100,081	0	+1,493
White Earth Settlement Fund	0	2,500	0	2,500	0	0
Other Settlements from P.L. 111-291	0	104,656	0	0	0	-104,656
Gifts and Donations	0	100	0	100	0	0
Indian Loan Guaranty and Insurance Fund						
Liquidating Account	0	-80	0	-80	0	0
Indian Direct Loan Program Account	0	484	0	0	0	-484
Indian Guaranteed Loan Program Account	0	2,138	0	0	0	-2,138
Revolving Fund for Loans Liquidating Account	0	-750	0	-600	0	+150
Subtotal, Permanent and Trust	332	213,169	332	107,529	0	-105,640
TOTAL, BUREAU OF INDIAN AFFAIRS	8,318	2,744,442	8,126	2,634,163	-192	-110,279

HIGHLIGHTS OF BUDGET CHANGES

By Appropriation Activity/Subactivity

APPROPRIATION: Operation of Indian Programs

	2011 Actual	2012 Enacted	2013 Request	Change
Tribal Government				
Aid To Tribal Government.....	31,886	30,492	28,441	-2,051
Consolidated Tribal Govt Program	71,710	76,398	77,283	+885
Self Governance Compacts	148,951	154,836	158,038	+3,202
Contract Support.....	219,560	219,209	228,000	+8,791
Indian Self Determination Fund	1,996	1,997	2,000	+3
New Tribes	310	314	320	+6
Small and Needy Tribes	0	1,947	1,947	0
Road Maintenance	26,390	25,390	25,155	-235
Tribal Govt Program Oversight	8,786	8,748	7,974	-774
Subtotal, Tribal Government	509,589	519,331	529,158	+9,827
Human Services				
Social Services.....	33,879	34,324	33,776	-548
Welfare Assistance.....	74,761	74,791	74,791	0
Indian Child Welfare Act	11,053	10,850	10,533	-317
Housing Improvement Program.....	12,598	12,599	12,602	+3
Human Services Tribal Design.....	430	429	437	+8
Human Services Program Oversight ...	3,900	3,367	3,012	-355
Subtotal, Human Services.....	136,621	136,360	135,151	-1,209
Trust - Natural Resources Management				
Natural Resources	4,547	5,116	5,057	-59
Irrigation Ops and Maintenance.....	11,910	11,920	11,945	+25
Rights Protection Implementation.....	28,442	28,976	32,645	+3,669
Tribal Mgmt/Development Program...	6,782	7,705	9,723	+2,018
Endangered Species	1,248	1,245	1,234	-11
Coop Landscape Conservation	419	200	999	+799
Integrated Resource Info Program	2,105	2,106	2,106	0
Agriculture and Range	28,863	28,836	28,609	-227
Forestry	43,644	43,574	42,701	-873
Water Resources	10,150	10,134	10,113	-21
Fish, Wildlife and Parks	11,340	11,322	11,366	+44
Resource Mgmt Program Oversight....	6,632	6,111	5,611	-500
Subtotal, Trust - NR Management	156,082	157,245	162,109	+4,864
Trust - Real Estate Services				
Trust Services	9,640	10,982	15,484	+4,502
Navajo-Hopi Settlement Program	1,224	1,204	1,193	-11
Probate	13,058	12,728	11,935	-793
Land Title and Records Offices	14,496	14,413	14,387	-26
Real Estate Services.....	48,056	37,692	35,333	-2,359
Land Records Improvement.....	15,241	6,782	6,774	-8
Environmental Quality.....	14,668	16,507	16,393	-114
Alaskan Native Programs	1,031	1,032	1,026	-6
Rights Protection	12,002	10,883	12,326	+1,443
Real Estate Services Oversight	16,405	14,536	12,962	-1,574
Subtotal, Trust - Real Estate Services	145,821	126,759	127,813	+1,054

	2011 Actual	2012 Enacted	2013 Request	Change
Public Safety and Justice				
Law Enforcement	305,893	321,944	328,444	+6,500
Tribal Courts	27,088	23,407	24,567	+1,160
Fire Protection.....	1,109	872	871	-1
Subtotal, Public Safety and Justice ...	334,090	346,223	353,882	+7,659
Community and Economic Development				
Job Placement and Training.....	11,552	11,502	11,230	-272
Economic Development	2,371	2,342	2,366	+24
Community Development	1,397	0	0	0
Minerals and Mining	18,461	18,660	18,421	-239
Community Development Oversight ..	3,075	2,306	2,316	+10
Subtotal, Comm and Econ Dev	36,856	34,810	34,333	-477
Executive Direction/ Admin Services	258,089	251,530	239,573	-11,957
Bureau of Indian Education				
Elementary and Secondary Programs (forward funded).....	520,048	522,247	523,026	+779
Elementary and Secondary Programs..	76,939	122,534	122,828	+294
Post Secondary Programs (forward funded).....	64,192	67,293	69,793	+2,500
Post Secondary Programs	61,603	61,435	62,052	+617
Education Management	29,916	21,971	18,434	-3,537
Subtotal, Indian Education	752,698	795,480	796,133	+653
Indian Arts and Crafts Board	[1,308]	[1,279]	1,279	+1,279
TOTAL APPROPRIATION (w/o transfers) ..	2,329,846	2,367,738	2,379,431	+11,693
Net Transfers	-1,000	0	0	0
TOTAL APPROPRIATION (w/ transfers)....	2,328,846	2,367,738	2,379,431	+11,693

Detail of Budget Changes

	2013 Change from 2012 Enacted		2013 Change from 2012 Enacted
TOTAL APPROPRIATION	+11,693		
Tribal Government.....	+9,827	Forestry Program.....	+1,000
Contract Support	+6,794	OIP Internal Transfers.....	-79
Indian Self-Determination Fund	+2,000	Fixed Costs	+984
New Tribes.....	+320	Administrative Savings	-1,454
Road Maintenance.....	-320	Organizational Streamlining.....	-2,387
OIP Internal Transfers.....	+360		
Fixed Costs	+3,289	Trust - Real Estate Services	+1,054
Administrative Savings	-787	Trust Services	+5,500
Organizational Streamlining.....	-1,829	Litigation Support/ Attorney Fees	+1,500
		OIP Internal Transfers.....	+37
Human Services.....	-1,209	Fixed Costs	+1,026
OIP Internal Transfers.....	-525	Administrative Savings	-2,473
Fixed Costs	+526	Organizational Streamlining.....	-4,536
Administrative Savings	-477		
Organizational Streamlining.....	-733	Public Safety and Justice	+7,659
		Criminal Investigations and Police Services	+3,500
Trust - Natural Resources Management	+4,864	Detention/ Corrections	+6,500
Rights Protection Implementation.....	+3,500	Law Enforcement Special Initiatives	-2,550
Tribal Management/Development Program	+2,000	Tribal Courts.....	+1,000
Cooperative Landscape Conservation	+800	OIP Internal Transfers.....	+46
Invasive Species.....	+500	Fixed Costs	+2,419

Detail of Budget Changes
Operation of Indian Programs (continued)

	2013 Change from 2012 Enacted		2013 Change from 2012 Enacted
Administrative Savings.....	-3,124	Tribal Grant Support Costs	+2,000
Organizational Streamlining.....	-132	Tribal Colleges and Universities	+2,500
Community and Economic Development.....	-477	Scholarships and Adult Education	+610
OIP Internal Transfers.....	-4	Special Higher Education Scholarships	+100
Fixed Costs	+115	OIP Internal Transfers.....	-201
Administrative Savings.....	-118	Fixed Costs	+4,810
Organizational Streamlining.....	-470	Administrative Savings	-1,668
		Organizational Streamlining.....	-3,035
Executive Direction and Administrative Services....	-11,957		
Information Resources Technology	-6,140	Indian Arts and Crafts Board	+1,279
OIP Internal Transfers.....	+366		
Fixed Costs	+3,519	Subtotals for Changes Across Multiple Subactivities	
Administrative Savings.....	-3,167	Fixed Costs	[+16,688]
Organizational Streamlining.....	-6,535	Administrative Savings	[-13,268]
		Organizational Streamlining.....	[-19,657]
Bureau of Indian Education.....	+653		
ISEP Program Adjustments.....	-4,463		

APPROPRIATION: Construction

	2011 Actual	2012 Enacted	2013 Request	Change
Education Construction	140,509	70,826	52,866	-17,960
Public Safety and Justice Construction	17,864	11,311	11,306	-5
Resources Management Construction	42,075	32,959	32,733	-226
Other Program Construction.....	9,132	8,534	9,005	+471
TOTAL APPROPRIATION	209,580	123,630	105,910	-17,720

See Appendix J for proposed 2013 construction projects.

Detail of Budget Changes

	2013 Change from 2012 Enacted		2013 Change from 2012 Enacted
TOTAL APPROPRIATION	-17,720		
Education Construction	-17,960	Other Program Construction.....	+471
Replacement School Construction	-17,807	Construction Program Management.....	+550
Fixed Costs	+25	Fixed Costs	+27
Administrative Savings.....	-178	Administrative Savings	-106
Public Safety and Justice Construction.....	-5	Subtotals for Changes Across Multiple Subactivities	
Administrative Savings.....	-5	Fixed Costs	[+89]
		Administrative Savings	[-552]
Resources Management Construction	-226		
Fixed Costs	+37		
Administrative Savings.....	-263		

APPROPRIATION: Indian Land and Water Claim Settlements and Miscellaneous Payments to Indians

	2011 Actual	2012 Enacted	2013 Request	Change
Land Settlements				
White Earth Land Settlement (Admin)...	624	624	625	+1
Hoopa-Yurok Settlement Fund	250	250	250	0
Water Settlements				
Pyramid Lake Water Rights Settlement.....	142	142	142	0
Nez Perce/Snake River Water Rights Settlement.....	15,432	9,435	9,450	+15
Navajo Water Resources Development Trust Fund	5,988	5,990	6,000	+10
Duck Valley Water Rights Settlement.....	11,976	11,980	12,000	+20
Navajo-Gallup Water Supply Project ...	0	4,381	7,826	+3,445
Miscellaneous Payments				
Puget Sound Regional Shellfish Settlement.....	6,487	0	0	0
Soboba Band of Luiseno Indians Settlement.....	5,488	0	0	0
TOTAL APPROPRIATION	46,387	32,802	36,293	+3,491

APPROPRIATION: Indian Guaranteed Loan Program Account

	2011 Actual	2012 Enacted	2013 Request	Change
TOTAL APPROPRIATION	8,199	7,103	5,000	-2,103

Detail of Budget Changes

2013 Change
from 2012 Enacted

TOTAL APPROPRIATION	-2,103
Subsidies	-2,113
Fixed Costs	+10



DEPARTMENTAL OFFICES

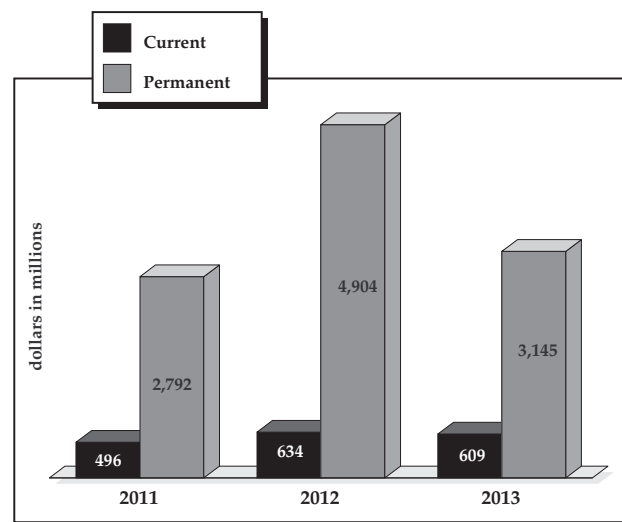
Overview – The Department of the Interior protects and manages the Nation’s cultural heritage and natural resources; provides scientific and other information about those resources; and honors trust responsibilities and commitments to American Indians, Alaska Natives, and affiliated island communities.

Departmental Offices provide leadership, management, and coordination activities; deliver services to Interior’s bureaus and offices; and operate unique cross-cutting functions that do not logically fit elsewhere. The Office of the Secretary provides executive leadership for the Department through the development of policy, legislation, and the annual budget. The Office of the Secretary also provides administrative services such as finance, information resources, acquisition, and human resources. The Office also manages the administrative appeals functions contained in the Office of Hearings and Appeals, appraises the value of lands and minerals through the Office of Valuation Services, and collects and disburses revenues from energy production on Federal and Indian lands and on the Outer Continental Shelf through the Office of Natural Resources Revenue.

The Office of Natural Resources Revenue was established within the Office of the Secretary on October 1, 2010 as part of the reorganization of the former Minerals Management Service. The ONRR strives to improve the management and oversight of royalty and revenue collection and disbursement activities for the Interior Department. The Office is responsible for ensuring revenue from Federal and Indian mineral leases is effectively and accurately collected and disbursed to recipients in approximately 34 States, 41 Tribes, some 30,000 Indian mineral royalty owners, and U.S. Treasury accounts.

Several programs within Departmental Offices are funded in separate appropriations. The Office of Insular Affairs provides assistance to insular areas. The Office of the Special Trustee for American Indians manages and discharges the Secretary of the Interior’s responsibility for over \$3.6 billion in trust assets for American Indians. Upon final approval of the *Cobell v. Salazar* settlement agreement, the Department will implement and man-

Departmental Offices Funding



age the \$1.9 billion Trust Land Consolidation program established under the Claims Resolution Act of 2010. This program will provide individual Indians the opportunity to obtain payment for divided land interests and release the lands for the benefit of tribal communities. Departmental Offices also include the Office of the Solicitor, which provides legal services to the bureaus and offices on behalf of the Secretary, and the Office of Inspector General, which reviews Interior activities and conducts audits and investigations.

The Office of the Secretary also manages four Department-wide programs. The Payments in Lieu of Taxes program provides payments to local governments in jurisdictions where Federal lands are located; the Central Hazardous Materials Fund provides a coordinated, consistent approach to remediate Interior sites impacted by hazardous substances; the Natural Resource Damage Assessment and Restoration program coordinates all of the Department’s restoration efforts for affected resources injured as a result of oil spills or hazardous substance releases into the environment; and the Wildland Fire Management program addresses wildfire on public lands. Working collaboratively with the participating

bureaus, the Department coordinates wildland fire activities within Interior and with the Forest Service. The Office of the Secretary also manages the Department's Working Capital Fund and the Interior Franchise Fund. These Department-wide programs are discussed as a separate chapter in the Bureau Highlights.

The 2013 budget request continues support for deployment of an integrated business management system, the Financial and Business Management System. This system has been deployed at seven bureaus including the Bureau of Ocean Energy Management and the Bureau of Safety and Environmental Enforcement, formerly known as the Bureau of Ocean Energy Management, Regulation and Enforcement; Office of Surface Mining; Bureau of Land Management; U.S. Geological Survey; and most recently at Departmental Offices and the Fish and Wildlife Service. The National Park Service and Bureau of Indian Affairs are scheduled for deployment in late 2012. To strengthen accountability and financial management, FBMS will replace a variety of outdated stand-alone systems that are costly to operate, difficult to secure, and unable to provide integrated financial information.

Office of the Secretary

Mission – The Office of the Secretary provides the executive level leadership, policy, guidance, and coordination needed to manage the diverse, complex, and nationally significant programs that are the Department of the Interior's responsibilities.

Budget Overview – The 2013 budget request for Departmental Operations is \$261.6 million in current appropriations, which is \$266,000 below the 2012 enacted level. The Office of the Secretary estimates direct staffing will equal 1,130 full time equivalents in 2013, a reduction of 42 FTE from 2012. The budget request reflects continued support of ONRR's mineral receipts management and reforms. The 2013 request includes a reduction of \$3.7 million and 30 FTE across the Office of the Secretary resulting from initiatives to streamline operations. The budget proposes to transfer the Indian Arts and Crafts Board and its \$1.3 million and 12 FTE from the Office of the Secretary to the Bureau of Indian Affairs. The transfer aligns the administrative and operational support of the Indian Arts and Crafts Board and the three Indian Museums it manages within Indian Affairs. Program increases include \$2.0 million for facilities rent associated with the delayed Main Interior Building modernization project, \$1.6 million to enhance mineral receipts modeling and reporting, and \$1.2 million to continue the orderly termination of the Royalty-in-Kind program.

America's Great Outdoors – The 2013 request includes \$12.1 million for the Office of Valuation Services funded

through the Land and Water Conservation Fund, a vital component of the America's Great Outdoors initiative. Valuation Services provides appraisal services to land management bureau land acquisition programs. The 2013 Federal Land Acquisition program builds on efforts started in 2011 and 2012 to strategically invest in interagency landscape-scale conservation projects while continuing to meet agency-specific programmatic needs.

Improving Minerals Revenue Management and Accountability – The 2013 budget request includes \$119.6 million for ONRR's receipts management programs, an increase of \$191,000 above the 2012 enacted level. The request includes \$38.3 million that will remain available until expended and will support multi-year information management system contracts and the State and tribal cooperative audit program. The ONRR is responsible for ensuring revenue from Federal and Indian mineral leases is effectively, efficiently, and accurately collected, accounted for, analyzed, audited, and disbursed to recipients. Revenue distributions, which totaled \$11.2 billion in 2011, benefit States, Tribes, individual Indian mineral royalty owners, and U.S. Treasury accounts. The budget request includes an increase of \$1.6 million to enhance Interior's mineral receipts modeling and reporting capability. This initiative will develop business processes to standardize data collection; improve data review, validation, and evaluation; and provide standardized reporting and policy oversight.

The request includes a program increase of \$1.2 million to continue the orderly transition of the RIK program to royalty-in-value. The RIK program allowed oil and gas producers to make royalty payments using oil and gas, which ONRR then sold on the open market. Under royalty-in-value, oil and gas producers pay royalties in cash. With the termination of the RIK program, mandatory funding through receipts is no longer available to ONRR. Appropriated funding is required to maintain compliance oversight capabilities and increase audit capacity to cover royalty payments that ONRR will now collect in cash. The budget also proposes to solidify the RIK program termination through authorizing legislation that would repeal all Interior authorities to take future oil and gas royalties-in-kind.

The 2013 request for ONRR includes a reduction of \$2.3 million reflecting completion of automated tools to enhance and integrate existing compliance processes. The improvements addressed multiple recommendations from the Government Accountability Office and Interior's Inspector General. Upgrades to information management systems will be completed in 2012 and the funding will no longer be needed. The ONRR will use funding included in the 2013 request to continue to address external recommendations.

Extractive Industries Transparency Initiative – In September 2011, President Obama announced the Administration’s intention to implement the Extractive Industries Transparency Initiative and in October 2011, named Secretary Salazar as the Administration’s senior official responsible for implementing EITI. The EITI offers a voluntary framework for governments to disclose revenues received from publicly owned oil, gas, and mining assets with parallel disclosure by companies specifying what they have paid the government in royalties, rents, bonuses, taxes, and other payments. The EITI principles align with Interior’s Open Government Initiative and the Administration’s pledge for a more transparent, participatory, and collaborative government.

The ONRR is providing expertise to support the implementation of EITI. As a member of the Interior Implementation Team, ONRR is working to develop a timeline and project plan to ensure completion of the EITI application requirements. The next critical step in applying for candidacy is to establish a multi-stakeholder group, which will oversee the design and implementation of EITI. The implementation of EITI provides additional oversight of the collection and disbursement of the Nation’s mineral resources revenues and helps ensure the full and fair return to the American people for the utilization of these public resources.

Fixed Costs – Fixed costs of \$2.2 million are fully funded in the request.

Office of Insular Affairs

Mission – The Office of Insular Affairs assists U.S. affiliated islands to develop more efficient and effective governments by providing financial and technical assistance, and helps manage Federal-island relations by promoting appropriate Federal policies.

Budget Overview – The 2013 OIA budget request is \$88.0 million in current appropriations, a decrease of \$16.4 million from the 2012 enacted level. Since a new Compact with Palau has been signed and sent to Congress for authorization, the temporary extension of \$13.1 million from 2012 has not been re-proposed, which accounts for a large part of the decrease. The OIA estimates staffing will equal 41 full time equivalents in 2013.

Assistance to Territories – The 2013 budget provides \$84.9 million for Assistance to Territories, a decrease of \$3.0 million from 2012. Within this amount, \$5.0 million is provided to implement a comprehensive plan to mitigate the impacts and costs of Compact migration. The budget also includes \$3.0 million in Empowering Insular Communities to implement energy projects identified by the Territories in their comprehensive sustainable

energy strategies. The Water and Wastewater program in Territorial Assistance ends in the 2013 budget request, a decrease of \$790,000 from 2012. Water and wastewater improvements will be addressed within existing Covenant Grants capital improvement resources. An additional \$1.0 million in funding for brown tree snake and coral reef research is included in the 2013 budget request for the U.S. Geological Survey.

Compact of Free Association – The 2013 budget provides \$3.1 million for Compact of Free Association, a decrease of \$259,000 from 2012, excluding 2012 Palau funding. The budget includes a \$263,000 reduction for Enewetak support in the Compact of Free Association activity. The Enewetak request will maintain \$236,000 in current appropriations to supplement an estimated \$1.5 million in permanent funds in 2013.

Fixed Costs – Fixed costs of \$142,000 are fully funded in the request.

Office of the Solicitor

Mission – The Office of the Solicitor’s mission is to provide high quality legal and counseling services to the Secretary and Interior’s offices and bureaus, administer the Department-wide ethics program, resolve legal issues among bureaus and offices as they fulfill their duties, and manage Interior’s Freedom of Information Act appeals.

Budget Overview – The Solicitor’s 2013 budget request is \$64.9 million, a decrease of \$1.3 million below the 2012 enacted level. The Solicitor estimates staffing will equal 440 full time equivalents in 2013.

Salaries and Expenses – The 2013 budget request consists of program decreases totaling \$2.5 million, including \$456,000 for workforce planning, \$200,000 for travel, \$400,000 for IT contract support, \$220,000 for training, \$320,000 for facility space, and \$870,000 in the Ethics Office for one-time costs related to training and case management software.

Fixed Costs – Fixed costs of \$1.2 million are fully funded in the request.

Office of Inspector General

Mission – The mission of the Office of Inspector General is to provide independent oversight and promote excellence, integrity, and accountability within the programs, operations, and management of the Department of the Interior and its resources.

Budget Overview – The 2013 OIG budget request is \$48.5 million, a decrease of \$899,000 from the 2012 enacted

level. Within the budget request, \$468,000 is provided for the Council of the Inspectors General on Integrity and Efficiency, a program increase of \$13,000. The OIG estimates staffing will equal 267 full time equivalents in 2013.

Salaries and Expenses –The request includes program decreases of \$522,000 in Audits, Inspections and Evaluations; \$407,000 in Investigations; and \$619,000 in Mission Support. The budget request also includes an internal transfer of \$2.9 million from Audits, Inspections and Evaluations to Mission Support that will centralize functions such as the Communications and Reports Unit in order to use resources more efficiently.

Fixed Costs – Fixed costs of \$649,000 are fully funded in the request.

Office of the Special Trustee for American Indians

Mission – The Office of the Special Trustee for American Indians provides fiduciary guidance, management, and leadership for both Tribal Trust accounts and Individual Indian Money accounts. The OST oversees and coordinates the Department's efforts to establish consistent policies, procedures, systems, and practices throughout Interior for the Indian fiduciary trust. The OST has operational responsibility for financial trust fund management, including receipt, investment, and disbursement of Indian trust funds and for real estate appraisals on Indian trust lands. The OST manages over \$3.7 billion held in over 2,900 trust accounts for more than 250 Indian Tribes and over 380,000 open IIM accounts. The balances that have accumulated in the trust funds have resulted generally from judgment awards, settlement of claims, land-use agreements, royalties on natural resource use, other proceeds derived directly from trust resources, and financial investment income. The Office of Historical Trust Accounting has responsibility to plan, organize, direct, and execute the historical accounting of Tribal Trust accounts and IIM accounts. The Bureau of Land Management, Bureau of Ocean Energy Management, Bureau of Indian Affairs, and the Secretary's Offices of Hearings and Appeals and Natural Resources Revenue carry out additional trust functions of the Department with oversight by the Special Trustee.

The Department has developed a comprehensive and systematic plan to reform the management of its trust responsibilities, the Fiduciary Trust Model. The primary concept of the FTM, working in partnership with the beneficiaries, is to improve the business processes for the delivery of services to tribal and individual Indian beneficiaries by standardizing, streamlining, and automating these processes and services. The OST provided records management training to over 1,580 BIA and OST records employees and over 390 tribal employees in 2011.

Budget Overview – The 2013 budget requests \$146.0 million in current appropriations, which is \$6.1 million below the 2012 enacted level. The OST estimates staffing will equal 651 full time equivalents in 2013.

Executive Direction – The budget includes program reductions of \$2.3 million in Executive Direction due to administrative savings and the completion of certain trust reform activities. Within this total, the budget eliminates the Trust Regulations, Policies, and Procedures program. The OST will work with the Assistant Secretary - Indian Affairs' Policies and Regulations Office, the Department, and the Solicitor's Office to create, modify, or eliminate regulations, policies, and procedures to implement trust reform. In 2013 the budget eliminates direct funding for the National Indian Program Training Center since all operational expenses for the center will be covered through tuition received from training courses.

Program Operations and Support – The 2013 OST budget includes a total program decrease of \$4.6 million for Program Operations and Support.

Program Operations – The 2013 budget includes a total program increase of \$2.6 million for Program Operations. Within this total, the budget provides a \$3.0 million program increase for the Office of Trust Review and Audit. In accordance with the Indian Trust Reform Act, OTRA will conduct program compliance audit reviews for BIA, BLM, and ONRR. The purpose of these audits will be to determine if the OST, BIA, BLM, and ONRR have established appropriate policies and procedures, and developed necessary systems, to properly manage trust resources consistent with the statutory requirements. The budget also includes administrative savings reductions of \$298,000 for Trust Records and \$65,000 for Budget, Finance, and Accounting.

Trust Accountability – The budget includes program reductions of \$3.6 million due to the completion of certain trust reform tasks. The OST proposes a program elimination of \$1.8 million for Trust Training and will no longer offer Indian fiduciary trust certification courses through an independent provider. The program will work collaboratively with DOI University to offer training in trust management for OST, BIA, and tribal personnel. The budget eliminates funding for the Product Development Initiative and includes administrative savings of \$997,000 for the Office of Hearings and Appeals.

Field Operations, Appraisal Services, and Trust Services – The budget includes a program increase of \$72,000 to support mission program operations in the Field Operations program activity and program reductions of \$55,000 for Appraisal Services and \$331,000 for Trust Services.

Historical Trust Accounting – The OST request includes \$26.8 million for the Office of Historical Trust Accounting, a program reduction of \$3.3 million due to decreases in costs associated with contractor assistance. The 2013 budget addresses the enactment of a settlement for the *Cobell v. Salazar* lawsuit and assumes final court approval of the settlement in 2012. The settlement does not address pending tribal cases. This program funding will be used to support analysis of tribal claims in coordination with

the U.S. Department of Justice. There are approximately 78 tribal cases pending involving 108 Tribes. The Historical Accounting program will also work to resolve the proper ownership of residual balances in special deposit accounts and distribute account balances to Tribes, individual Indians, and non-trust entities.

Fixed Costs – Fixed costs of \$816,000 are fully funded in the request.

SUMMARY OF BUREAU APPROPRIATIONS

(all dollar amounts in thousands)

Comparison of 2013 Request with 2012 Enacted

	2012 Enacted		2013 Request		Change	
	FTE	Amount	FTE	Amount	FTE	Amount
Current						
Office of the Secretary.....	1,172	261,897	1,130	261,631	-42	-266
Assistance to Territories	41	87,901	41	84,946	0	-2,955
Compact of Free Association	0	16,460	0	3,054	0	-13,406
Office of the Solicitor	359	66,190	358	64,939	-1	-1,251
Office of Inspector General	288	49,392	267	48,493	-21	-899
Office of Special Trustee for American Indians	665	152,075	651	146,000	-14	-6,075
Subtotal, Current	2,525	633,915	2,447	609,063	-78	-24,852
Permanent and Other						
Take Pride in America	0	5	0	5	0	0
Indian Arts and Crafts Board	0	40	0	0	0	-40
Geothermal Revenues, Payments to Counties.....	0	4,163	0	0	0	-4,163
Leases of Lands Acquired for Flood Control, Navigation, and Allied Purposes.....	0	18,871	0	19,395	0	+524
Mineral Leasing and Associated Payments.....	0	2,074,836	0	2,184,204	0	+109,368
Payments to Alaska from Oil and Gas Leases, NPRA.....	0	2,660	0	2,710	0	+50
National Forests Fund, Payment to States.....	0	8,484	0	8,681	0	+197
State Share from Certain Gulf of Mexico Leases	0	400	0	375	0	-25
Trust Land Consolidation Fund *	0	1,900,000	11	0	+11	-1,900,000
Payments to U.S. Territories, Fiscal Assistance.....	0	248,000	0	248,000	0	0
Compact of Free Association	0	218,222	0	239,254	0	+21,032
Tribal Special Funds.....	0	328,324	0	338,699	0	+10,375
Tribal Trust Fund.....	0	100,430	0	103,604	0	+3,174
Allocation Account - Office of the Secretary	60	0	60	0	0	0
Allocation Account - Office of the Solicitor.....	17	0	17	0	0	0
Reimbursements - Office of the Secretary	289	0	289	0	0	0
Reimbursements - Office of the Solicitor	65	0	65	0	0	0
Subtotal, Permanent and Other	431	4,904,335	442	3,144,927	+11	-1,759,508
TOTAL, DEPARTMENTAL OFFICES.....	2,956	5,538,350	2,889	3,753,990	-67	-1,784,360
National Indian Gaming Commission.....	123	17,000	123	18,000	0	+1,000

* The Cobell v. Salazar settlement establishes a \$1.9 billion fund for the voluntary buy-back and consolidation of fractionated land interests. In addition, as an added incentive to facilitate the purchase of fractionated land interests, up to \$60 million of the \$1.9 billion for land acquisition will be contributed to an existing, non-profit organization for the benefit of educating American Indians and Alaska Natives. Upon final approval by the U.S. District Court for the District of Columbia, the Cobell v. Salazar settlement agreement will be implemented. The \$1.9 billion will be received from the Judgment Fund at the Treasury Department once all appeals are exhausted and the settlement becomes final.

HIGHLIGHTS OF BUDGET CHANGES

By Appropriation Activity/Subactivity

APPROPRIATION: Office of the Secretary - Departmental Operations

	2011 Actual	2012 Enacted	2013 Request	Change
Leadership and Administration.....	95,514	120,160	121,711	+1,551
Management Services.....	23,084	22,319	20,311	-2,008
Office of Natural Resources Revenue	0	119,418	119,609	+191
TOTAL APPROPRIATION <i>(w/o transfers)</i>	118,598	261,897	261,631	-266
Other Net Transfers.....	+2,729	0	0	0
TOTAL APPROPRIATION <i>(w/ transfers)</i>	121,327	261,897	261,631	-266

Detail of Budget Changes

2013 Change from 2012 Enacted

TOTAL APPROPRIATION	-266
Leadership and Administration.....	+1,551
Increased Main Interior Building Rent.....	+2,000
Mineral Receipts Modeling Support	+1,568
FTE Reductions.....	-2,947
Fixed Costs	+930
Management Services.....	-2,008
Transfer of Indian Arts and Crafts Board to BIA ..	-1,279
Office of Valuation Services	-580
Program Reductions	-224
Fixed Costs	+75
Natural Resources Revenue.....	+191
Complete Transition from RIK to RIV.....	+1,229
Completion of IT Upgrades	-2,275
Fixed Costs	+1,237
Subtotal for Changes Across Multiple Activities	
Fixed Costs	[+2,242]

APPROPRIATION: Assistance to Territories

	2011 Actual	2012 Enacted	2013 Request	Change
American Samoa				
Operations Grants.....	22,707	22,717	22,752	+35
Northern Marianas				
Covenant Grants (Mandatory).....	27,720	27,720	27,720	0
Territorial Assistance				
Office of Insular Affairs.....	9,262	9,465	9,262	-203
Technical Assistance	15,271	18,774	12,500	-6,274
Maintenance Assistance Fund.....	2,443	2,237	741	-1,496
Brown Tree Snake.....	2,994	2,995	3,000	+5
Coral Reef Initiative.....	998	998	1,000	+2
Water and Wastewater Projects.....	791	790	0	-790
Empowering Insular Communities.....	1,996	2,205	2,971	+766
Compact Impact Discretionary	0	0	5,000	+5,000
Subtotal, Territorial Assistance.....	33,755	37,464	34,474	-2,990
TOTAL APPROPRIATION	84,182	87,901	84,946	-2,955

Detail of Budget Changes

	2013 Change from 2012 Enacted		2013 Change from 2012 Enacted
TOTAL APPROPRIATION	-2,955		
American Samoa Operations.....	+35		
Territorial Assistance	-2,990	Brown Treesnake Control.....	+5
Office of Insular Affairs	-345	Coral Reef Initiative	+2
Office of Insular Affairs fixed costs.....	+142	Water and Wastewater Projects	-790
Technical Assistance.....	-6,274	Empowering Insular Communities.....	+766
Maintenance Assistance	-1,496	Compact Impact Discretionary	+5,000

APPROPRIATION: Compact of Free Association

	2011 Actual	2012 Enacted	2013 Request	Change
Federal Services.....	2,812	2,814	2,818	+4
Palau Program Grant Assistance	2,000	0	0	0
Enewetak Support.....	499	499	236	-263
Palau Compact.....	11,147	13,147	0	-13,147
TOTAL APPROPRIATION	16,458	16,460	3,054	-13,406

APPROPRIATION: Office of the Solicitor

	2011 Actual	2012 Enacted	2013 Request	Change
Legal Services	47,510	47,434	47,719	+285
General Administration	16,244	16,218	15,518	-700
Ethics	1,192	2,538	1,702	-836
APPROPRIATION	64,946	66,190	64,939	-1,251

Detail of Budget Changes

	2013 Change from 2012 Enacted		2013 Change from 2012 Enacted
TOTAL APPROPRIATION	-1,251		
Legal Services	+285	Ethics Office	-836
Travel Reduction.....	-200	Tracking System Costs.....	-870
Workforce Planning	-456	Fixed Costs	+34
Fixed Costs	+941		
		Subtotal for Changes Across Multiple Activities	
General Administration	-700	Fixed Costs	[+1,215]
Training Program Reduction	-220		
Space Reduction	-320		
IT Contractor Support Reduction	-400		
Fixed Costs	+240		

APPROPRIATION: Office of Inspector General

	2011 Actual	2012 Enacted	2013 Request	Change
Audits, Inspections, and Evaluations.....	21,185	21,398	18,285	-3,113
Investigations.....	17,615	17,742	17,541	-201
Management	9,693	10,252	12,667	+2,415
TOTAL APPROPRIATION	48,493	49,392	48,493	-899

Detail of Budget Changes

	2013 Change from 2012 Enacted		2013 Change from 2012 Enacted
TOTAL APPROPRIATION	-899		
Office of Audits, Inspections, and Evaluations.....	-3,113	Office of Management	+2,415
Program Changes.....	-522	Program Changes.....	-619
Internal Reprogram.....	-2,900	Internal Reprogram.....	+2,900
Fixed Costs	+309	Fixed Costs	+134
		Subtotal for Changes Across Multiple Activities	
Office of Investigations.....	-201	Fixed Costs	[+649]
Program Changes.....	-407		
Fixed Costs	+206		

APPROPRIATION: Office of the Special Trustee for American Indians

	2011 Actual	2012 Enacted	2013 Request	Change
Federal Trust Programs				
Executive Direction.....	2,645	4,471	2,967	-1,504
Program Operations and Support	158,033	147,604	143,033	-4,571
TOTAL APPROPRIATION	160,678	152,075	146,000	-6,075

Detail of Budget Changes

	2013 Change from 2012 Enacted		2013 Change from 2012 Enacted
TOTAL APPROPRIATION	-6,075		
Executive Direction.....	-1,504	Field Operations	+170
Executive Direction	-2,272	Field Operations	+72
Internal Transfer	+759	Fixed Costs	+98
Fixed Costs	+9		
Program Ops, Support and Improvements.....	-4,571	Office of Appraisal Services.....	-11
Program Operations.....	+13,706	Appraisal Services	-55
Office of Trust Records.....	-298	Fixed Costs	+44
Budget, Finance and Administration.....	-65		
Office of Trust Review and Audit.....	+2,996	Trust Services	+1,173
Internal Transfer	+10,648	Trust Services.....	-331
Fixed Costs	+425	Internal Transfer	+1,380
		Fixed Costs	+124
Trust Accountability.....	-15,327		
Trust Training	-1,784	Historical Trust Accounting.....	-4,282
Trust Program Management Center	-1,864	Historical Trust Accounting	-3,290
Internal Transfer	-11,679	Internal Transfers.....	-1,108
		Fixed Costs	+116
		Subtotal for Changes Across Multiple Subactivities	
		Fixed Costs	[+816]



DEPARTMENT-WIDE PROGRAMS

Overview—Department-wide programs support bureaus and offices through the execution of activities that are broad in scope and impact. These programs complement the many diverse activities of the Department of the Interior and help to achieve key strategic goals.

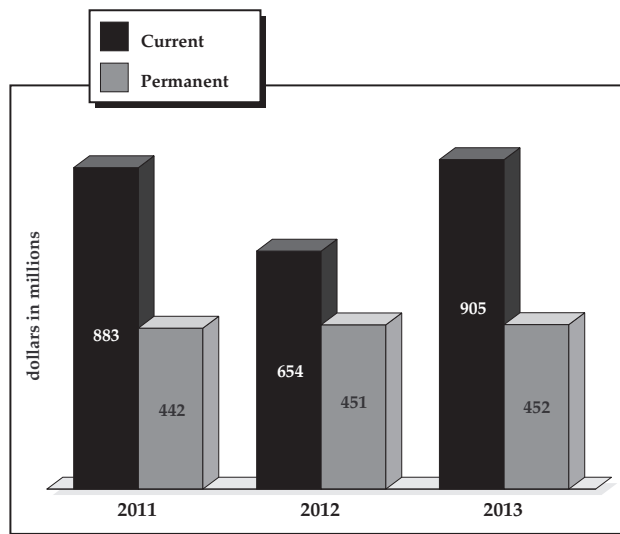
The Department's Wildland Fire Management program funds fire preparedness, suppression, and rehabilitation activities performed by the land management agencies and the Bureau of Indian Affairs. The Payments in Lieu of Taxes program supports the activities and functions of the Department's land management bureaus by funding payments to local governments in jurisdictions where Federal lands are located. These payments assist local jurisdictions to offset costs incurred in association with maintaining infrastructure that supports Federal lands within their boundaries. Through the Central Hazardous Materials Fund, Interior remediates hazardous substances on Interior lands, working collaboratively with bureaus and offices to approach these activities in a consistent and coordinated fashion. The Natural Resource Damage Assessment and Restoration program coordinates the Department's restoration efforts for resources that are injured as a result of oil spills or hazardous substance releases where endangered species or migratory birds are impacted.

The Department's Working Capital Fund is a revolving fund that finances centralized administrative and business services in lieu of operating duplicative systems and processes in each bureau and office. The Working Capital Fund also provides the mechanism to collect funds for services that are provided to other Federal agencies in business areas such as payroll. The Department's Franchise Fund finances acquisition services that are provided to Interior customers and other Federal agencies.

Wildland Fire Management

Mission—The goal of the Wildland Fire Management program is to achieve both a cost-efficient and a technically effective fire management program that meets resource and safety objectives, while minimizing both the cost of suppression and damage to resources. In 2013

Department-wide Programs Funding



the Department plans to implement, in partnership with the Forest Service, an integrated approach to information technology in wildland fire, with common strategies, investment decisions, and application management to address fire management business requirements in a cost-effective manner.

Budget Overview—The 2013 budget proposes a total of \$818.5 million to support the fire preparedness, suppression, fuels reduction, and burned area rehabilitation needs of the Department of the Interior. This includes \$726.5 million in the Wildland Fire Management account and \$92.0 million in the FLAME Wildfire Suppression Reserve Fund. The 2013 total represents an increase of \$243.0 million over the 2012 enacted level, which included a rescission of prior-year balances of \$82.0 million. The Office of Wildland Fire estimates its staffing will equal 27 FTE in 2013.

The 2013 budget request fully funds the inflation-adjusted 10-year average of suppression expenditures of \$368.5 million, with the funding split between \$276.5 million

in the regular suppression account and \$92.0 million in the FLAME Fund. The total request for the 10-year suppression average represents a program increase of \$195.8 million above the 2012 enacted level. The 2012 Appropriation Act did not fully fund the 10-year average, but instead directed the Department to use \$189.6 million of prior-year unobligated emergency supplemental balances to cover a significant share of expected firefighting costs in 2012.

The budget proposes a program decrease of \$39.0 million to the Hazardous Fuels Reduction program. Interior will focus fuels management activities to mitigate hazards and enhance the ability to control fires in the wildland urban interface. The Department will target treatments in communities that are on track to meet Firewise standards and have identified acres to be treated in Community Wildfire Protection Plans or their equivalent and have made an investment in implementing local solutions to protect against wildland fire. Funding for all other components of the Wildland Fire Management program are maintained at the 2012 enacted level, as adjusted for fixed costs.

Fixed Costs – Fixed costs of \$4.3 million are fully funded.

Central Hazardous Materials Fund

Mission – The mission of the Central Hazardous Materials Fund is to protect the public health and ensure the safety of those who use Interior's lands and facilities. The Office conducts hazardous materials cleanup activities and the subsequent maintenance and monitoring of the remedial actions in a manner consistent with the National Contingency Plan and with bureau land use and management plan objectives. They pursue aggressive cost recovery and cost-sharing actions with the parties responsible for contaminating Federal lands.

Budget Overview – The 2013 budget request for the Central Hazardous Materials Fund is \$9.6 million, a decrease of \$535,000 from the 2012 enacted level. The Central Hazardous Materials Fund continues to focus on those contaminated sites that pose the highest risks to employees, public health and welfare, and the environment; and typically, are so costly and complex to clean up that they cannot adequately be addressed using available bureau resources. In 2013, cleanup work at approximately 30 different sites is anticipated to be funded. Many of these sites are the result of past industrial or mining practices by either current or previous owners. Some of the larger sites include the Crab Orchard National Wildlife Refuge, Illinois; Valley Forge National Historic Park, Pennsylvania; Red Devil Mine, Alaska; Phosphate Mines, Idaho; and Orphan Mine, Grand Canyon National Park, Arizona. The program will continue to seek the participa-

tion of the current or previous owners to minimize the cleanup cost borne by the American taxpayer. Working with legal advisors, the Central Hazardous Materials Fund will aggressively pursue cost avoidance or cost recoveries at sites with viable potentially responsible parties. The program will also monitor performance and compliance to ensure cleanup funds are being used for their intended purpose through internal control reviews. Completion of nine internal control reviews in 2013 is anticipated. The program will also seek opportunities or benchmark efficiencies to reduce the cost of cleanup across the Department.

Fixed Costs – Fixed costs of \$6,000 are fully funded.

Natural Resource Damage Assessment and Restoration

Mission – The mission of the Natural Resource Damage Assessment and Restoration program is to restore natural resources injured as a result of oil spills or hazardous substance releases into the environment. In partnership with other affected State, tribal, and Federal trustee agencies, damage assessments provide the basis for determining the restoration needs that address the public's loss of these resources.

Budget Overview – The 2013 request for NRDAR is \$6.3 million, an increase of \$10,000 from the 2012 enacted level. The \$6.3 million request includes \$3.7 million for damage assessment projects, \$615,000 for restoration support, and \$1.9 million for program management. In addition, \$60.0 million is anticipated from receipts to be recovered in settled damage assessment cases and earned interest in 2013. In agreement with statutory requirements, the receipts are used exclusively by trustees to restore injured lands and resources or reimburse past assessment costs. The Interior NRDAR Fund supports restoration planning and implementation underway in various stages at hundreds of sites nationwide. In 2013, the program will continue partnership efforts with Federal, State, and tribal co-trustees to restore injured lands and resources. This includes work in the Gulf of Mexico, where Interior is working with the Department of Commerce through the National Oceanic and Atmospheric Administration, the States of Alabama, Florida, Louisiana, Mississippi, and Texas. In the wake of the Deepwater Horizon oil spill, the Department and its co-trustees are working cooperatively with the responsible party to conduct a comprehensive natural resource damage assessment identifying the injuries to natural resources and conduct a restoration plan that will restore the region's natural resources to their pre-spill condition.

Fixed Costs – Fixed costs of \$58,000 are fully funded.

Working Capital Fund

Mission – The Department’s Working Capital Fund provides centralized services and systems to Interior bureaus and offices and to other customers.

Budget Overview – The 2013 budget proposes \$70.6 million for the appropriated portion of the Department’s Working Capital Fund, an increase of \$8.7 million from the 2012 enacted level. The budget request includes a reduction of \$2.5 million for the Acquisition Improvement initiative in 2012.

Financial Integrity and Transparency – The budget request includes \$62.1 million to continue the deployment of the Financial and Business Management System, an increase of \$10.2 million from the 2012 enacted level. The FBMS has been deployed to the Bureau of Ocean Energy Management and Bureau of Safety and Environmental Enforcement, formerly known as the Bureau of Ocean Energy Management, Regulation and Enforcement; Bureau of Land Management; Office of Surface Mining; U.S. Geological Survey; and most recently, Departmental Offices and the Fish and Wildlife Service. Deployment is scheduled for the National Park Service and the Bureau of Indian Affairs by late 2012. The 2013 request will fund the deployment of FBMS to the Bureau of Reclamation as well as the implementation of acquisition and financial assistance functionality.

Improving Stewardship of the Nation’s Cultural and Scientific Collections – An increase of \$3.5 million is requested to initiate the Department’s Cultural and Scientific Collections Management initiative. This initiative will respond to recent Inspector General reports regarding the need to improve Interior’s accountability for its cultural and scientific collections and museum holdings. The proposed funding will implement a multi-year corrective action plan which will improve oversight and technical assistance, identify and assess collections at non-Federal repositories, and provide a consolidation study of bureau and non-bureau curatorial facilities housing museum collections.

Advancing Efficient Operations – An increase of \$2.5 million is requested to continue funding for the Department’s Service First/ Consolidation initiative. Interior’s mission is to protect and manage the Nation’s natural resources and cultural heritage through programs that operate in over 2,400 locations across the Country. Interior’s Service First initiative will expand collaboration among Interior

bureaus and other agencies to gain operating efficiencies, expand the use of communications and technology tools, collocate programs, share services, and create an environment that provides incentives for improved program delivery and cost avoidance.

Dependable and Efficient Information Technology Infrastructure – The budget request includes a reduction of \$5.0 million to reflect the transition of the Department’s IT Transformation initiative from the appropriated WCF to the Departmental WCF Centralized Bill. Under this funding model, the Department will self fund IT infrastructure enhancements through investments from the benefiting bureaus and offices. The IT Transformation initiative will reduce costs as a result of consolidation, but also from redirection of technology staff to other duties, reduced rented office space, and other overhead costs. The Federal Chief Information Officer has approved this long-term savings plan and has agreed to provide the Department near-term flexibility to conduct necessary planning, develop tools and mechanisms, and implement policies and procedures to realize the transformation.

In 2013, estimated collections into the WCF total \$203.4 million for centralized billing and \$373.4 million for direct billed activities.

Fixed Costs – There are no fixed costs requested for funds appropriated to the Working Capital Fund.

Payments in Lieu of Taxes

Mission – The Payments in Lieu of Taxes program makes payments to counties to help offset the costs of services and infrastructure incurred by local jurisdictions where certain Federal lands are located.

Budget Overview – Since the inception of the PILT program in 1977 and through 2007, PILT funding was subject to appropriation. The Emergency Economic Stabilization Act of 2008 converted PILT to a mandatory classification and authorized the program through 2012. The 2013 budget request proposes to extend this activity as a mandatory program through 2013 at the full entitlement level. In 2011, payments of \$375.2 million were made to counties, which were funded from the mandatory appropriation at the full entitlement level of \$375.6 million. The remaining \$400,000 covered administrative costs as authorized. The 2012 PILT payment amounts for local jurisdictions will be formulated with a scheduled payment to be made in June 2012.

SUMMARY OF BUREAU APPROPRIATIONS

(all dollar amounts in thousands)

Comparison of 2013 Request with 2012 Enacted

	2012 Enacted		2013 Request		Change	
	FTE	Amount	FTE	Amount	FTE	Amount
Current						
Wildland Fire Management (<i>FTE DWP only</i>)	24	483,589	27	726,473	+3	+242,884
FLAME Wildfire Suppression Reserve Fund	0	91,853	0	92,000	0	+147
Central Hazardous Materials Fund	5	10,133	5	9,598	0	-535
Natural Resource Damage Assessment Fund	10	6,253	10	6,263	0	+10
Working Capital Fund	55	61,920	55	70,647	0	+8,727
Subtotal, Current	94	653,748	97	904,981	+3	+251,233
Permanents and Other						
Payments in Lieu of Taxes	1	386,748	1	398,351	0	+11,603
Natural Resource Damage Assessment Fund	0	64,000	0	54,000	0	-10,000
Working Capital Fund	1,287	0	1,287	0	0	0
Interior Franchise Fund	111	0	111	0	0	0
Subtotal, Permanents and Other	1,399	450,748	1,399	452,351	0	+1,603
TOTAL, DEPARTMENT-WIDE PROGRAMS	1,493	1,104,496	1,496	1,357,332	+3	+252,836

HIGHLIGHTS OF BUDGET CHANGES

By Appropriation Activity/Subactivity

APPROPRIATION: Wildland Fire Management

	2011 Actual	2012 Enacted	2013 Request	Change
Preparedness.....	290,452	276,522	279,508	+2,986
Suppression Operations.....	398,951	80,904	276,508	+195,604
Other Operations.....				
Hazardous Fuels Reduction	183,314	183,021	145,315	-37,706
Burned Area Rehabilitation	33,203	13,025	13,025	0
Fire Facilities	6,137	6,127	6,127	0
Joint Fire Science	6,000	5,990	5,990	0
Subtotal, Other Operations.....	228,654	208,163	170,457	-37,706
TOTAL APPROPRIATION (w/o rescissions/transfers)	918,057	565,589	726,473	+160,884
Rescission of Prior Year Balances.....	-200,000	-82,000	0	+82,000
Net Transfers.....	+1,903	0	0	0
TOTAL APPROPRIATION (w/ rescissions/transfers)	719,960	483,589	726,473	+242,884

Detail of Budget Changes

2013 Change from 2012 Enacted

TOTAL APPROPRIATION	+242,884		
Preparedness.....	+2,986	Hazardous Fuels Reduction	-37,706
Fixed Costs	+2,986	Reduce Base Funding	-38,985
		Fixed Costs	+1,279
Suppression Operations.....	+195,604		
10-Year Suppression Average Adjustment	+195,604	Restore Budget Authority for 2012 Rescissions	+82,000
		Subtotals for Changes Across Multiple Subactivities	
		Fixed Costs	[+4,265]

APPROPRIATION: FLAME Wildfire Suppression Reserve Fund

	2011 Actual	2012 Enacted	2013 Request	Change
TOTAL APPROPRIATION	60,878	91,853	92,000	+147

Detail of Budget Changes

2013 Change from 2012 Enacted

TOTAL APPROPRIATION	+147
FLAME Wildfire Suppression Reserve Fund.....	+147
10-Year Suppression Average Adjustment	+147

APPROPRIATION: Central Hazardous Materials Fund

	2011 Actual	2012 Enacted	2013 Request	Change
TOTAL APPROPRIATION	10,155	10,133	9,598	-535

Detail of Budget Changes**2013 Change
from 2012 Enacted**

TOTAL APPROPRIATION	-535
Central Hazardous Materials Fund.....	-535
Program Changes.....	-541
Fixed Costs.....	+6

APPROPRIATION: Natural Resource Damage Assessment Fund

	2011 Actual	2012 Enacted	2013 Request	Change
Damage Assessments	3,896	3,737	3,699	-38
Restoration Support.....	616	613	615	+2
Program Management.....	1,937	1,903	1,949	+46
TOTAL APPROPRIATION	6,449	6,253	6,263	+10

Detail of Budget Changes**2013 Change
from 2012 Enacted**

TOTAL APPROPRIATION	+10
Damage Assessments	-38
Program Change.....	-48
Fixed Costs.....	+10
Restoration Support.....	+2
Fixed Costs.....	+2
Program Management.....	+46
Fixed Costs.....	+46
Subtotals for Changes Across Multiple Subactivities	
Fixed Costs	[+58]

APPROPRIATION: Working Capital Fund

	2011 Actual	2012 Enacted	2013 Request	Change
TOTAL APPROPRIATION	85,651	61,920	70,647	+8,727

Detail of Budget Changes

2013 Change
from 2012 Enacted

TOTAL APPROPRIATION	+8,727
Working Capital Fund	+8,727
Financial Business Management System	+10,211
Cultural and Scientific Collections	+3,500
Service First	+2,504
Information Technology	-4,992
Acquisitions.....	-2,496

APPENDICES



**COMPARISON OF 2011, 2012, AND 2013
BUDGET AUTHORITY***
(in thousands of dollars)

<u>Appropriation/ Bureau/Account</u>	<u>2011 Actual</u>	<u>2012 Enacted</u>	<u>2013 Request</u>	<u>Change</u>
INTERIOR, ENVIRONMENT, AND RELATED AGENCIES				
BUREAU OF LAND MANAGEMENT				
<i>Current Appropriations</i>				
Management of Lands and Resources	977,979	961,900	952,017	-9,883
Rescissions / reductions of new BA	-1,928	-1,539	0	+1,539
Account total (w/o transfers)	976,051	960,361	952,017	-8,344
Other net transfers	-22	0	0	0
Account total (w/ transfers)	976,029	960,361	952,017	-8,344
Construction	4,626	3,576	0	-3,576
Rescissions / reductions of new BA	-9	-6	0	+6
Account total	4,617	3,570	0	-3,570
Oregon and California Grant Lands	111,557	112,043	112,043	0
Rescissions / reductions of new BA	-223	-179	0	+179
Account total	111,334	111,864	112,043	+179
Land Acquisition	22,000	22,380	33,575	+11,195
Rescissions / reductions of new BA	-44	-36	0	+36
Account total	21,956	22,344	33,575	+11,231
Service Charges, Deposits, and Forfeitures	30,813	31,063	31,053	-10
Service Charges, Deposits, and Forfeitures Offset	-30,813	-31,063	-31,053	+10
Range Improvements	10,000	10,000	10,000	0
Miscellaneous Trust Funds	25,435	19,700	19,700	0
Subtotal, current appropriations (w/o transfers)	1,149,393	1,127,839	1,127,335	-504
Other net transfers	-22	0	0	0
Subtotal, current appropriations (w/ transfers)	1,149,371	1,127,839	1,127,335	-504
Budget authority	[1,151,597]	[1,129,599]	[1,127,335]	[-2,264]
Rescissions / reductions of new BA	[-2,204]	[-1,760]	[0]	[+1,760]
Net transfers	[-22]	[0]	[0]	[0]
<i>Permanent Appropriations</i>				
Permanent Operating Funds	59,430	95,464	154,775	+59,311
Miscellaneous Permanent Payments Accounts	89,196	51,887	21,511	-30,376
Miscellaneous Trust Funds	1,386	1,800	1,800	0
Subtotal, permanent appropriations	150,012	149,151	178,086	+28,935
Total, Land Management (w/o transfers)	1,299,405	1,276,990	1,305,421	+28,431
Other net transfers	-22	0	0	0
Total, Land Management (w/ transfers)	1,299,383	1,276,990	1,305,421	+28,431
Budget authority	[1,301,609]	[1,278,750]	[1,305,421]	[+26,671]
Rescissions / reductions of new BA	[-2,204]	[-1,760]	[0]	[+1,760]
Net transfers	[-22]	[0]	[0]	[0]

* Notes explaining the scoring assumptions for this table are found beginning on page A-15.

COMPARISON OF 2011, 2012, AND 2013 BUDGET AUTHORITY
(in thousands of dollars)

<u>Appropriation/ Bureau/Account</u>	<u>2011 Actual</u>	<u>2012 Enacted</u>	<u>2013 Request</u>	<u>Change</u>
BUREAU OF OCEAN ENERGY MANAGEMENT, REGULATION AND ENFORCEMENT				
<i>Current Appropriations</i>				
Ocean Energy Management	239,478	0	0	0
Rescissions/reductions of new BA	-479	0	0	0
Account total (w/o PY rescissions and transfers)	238,999	0	0	0
Rescissions/reductions of prior year BA	-25,000	0	0	0
Other net transfers	-2,729	0	0	0
Account total (w/ PY rescissions and transfers)	211,270	0	0	0
Oil Spill Research	11,768	0	0	0
Rescissions/reductions of new BA	-24	0	0	0
Account total	11,744	0	0	0
Subtotal, current appropriations (w/o PY resc and trans)	250,743	0	0	0
Rescissions/reductions of prior year BA	-25,000	0	0	0
Other net transfers	-2,729	0	0	0
Subtotal, current appropriations (w/ PY resc and trans)	223,014	0	0	0
Total, Ocean Energy Management, Regulation and Enforcement (w/o PY resc and trans)	250,743	0	0	0
Rescissions/reductions of prior year BA	-25,000	0	0	0
Other net transfers	-2,729	0	0	0
Total, Ocean Energy Management, Regulation and Enforcement (w/ PY resc and trans)	223,014	0	0	0
Budget authority	[251,246]	[0]	[0]	[0]
Rescissions/reductions of new BA	[-503]	[0]	[0]	[0]
Rescissions/reductions of prior year BA	[-25,000]	[0]	[0]	[0]
Net transfers	[-2,729]	[0]	[0]	[0]

BUREAU OF OCEAN ENERGY MANAGEMENT*Current Appropriations*

Ocean Energy Management	0	59,792	62,701	+2,909
Rescissions/reductions of new BA	0	-96	0	+96
Account total	0	59,696	62,701	+3,005
Subtotal, current appropriations	0	59,696	62,701	+3,005
Total, Ocean Energy Management	0	59,696	62,701	+3,005
Budget authority	[0]	[59,792]	[62,701]	[+2,909]
Rescissions/reductions of new BA	[0]	[-96]	[0]	[+96]

BUREAU OF SAFETY AND ENVIRONMENTAL ENFORCEMENT*Current Appropriations*

Offshore Safety and Environmental Enforcement	0	61,473	81,399	+19,926
Rescissions/reductions of new BA	0	-98	0	+98
Account total	0	61,375	81,399	+20,024
Oil Spill Research	0	14,923	14,899	-24
Rescissions/reductions of new BA	0	-24	0	+24
Account total	0	14,899	14,899	0
Subtotal, current appropriations	0	76,274	96,298	+20,024

COMPARISON OF 2011, 2012, AND 2013 BUDGET AUTHORITY
(in thousands of dollars)

<u>Appropriation/ Bureau/Account</u>	<u>2011 Actual</u>	<u>2012 Enacted</u>	<u>2013 Request</u>	<u>Change</u>
BSEE (continued)				
Total, Safety and Environmental Enforcement	0	76,274	96,298	+20,024
Budget authority	[0]	[76,396]	[96,298]	[+19,902]
Rescissions/reductions of new BA	[0]	[-122]	[0]	[+122]
OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT				
<i>Current Appropriations</i>				
Regulation and Technology	127,707	123,010	113,153	-9,857
Rescissions/reductions of new BA	-254	-197	0	+197
Account total.....	127,453	122,813	113,153	-9,660
Abandoned Mine Reclamation Fund	35,588	27,443	27,548	+105
Rescissions/reductions of new BA	-71	-44	0	+44
Account total.....	35,517	27,399	27,548	+149
Subtotal, current appropriations.....	162,970	150,212	140,701	-9,511
Budget authority	[163,295]	[150,453]	[140,701]	[-9,752]
Rescissions/reductions of new BA	[-325]	[-241]	[0]	[+241]
<i>Permanent Appropriations</i>				
Payments to United Mine Workers Association				
Health Plans (AML)	57,246	48,430	55,724	+7,294
Supplemental payments to UMWA Health Plans				
(General Fund).....	216,064	205,561	174,902	-30,659
Payments to States in Lieu of Coal Fee Receipts (Treasury) ...	245,425	265,300	85,200	-180,100
Mandatory Grants to States and Tribes (AML)	150,133	220,196	221,400	+1,204
Subtotal, permanent appropriations	668,868	739,487	537,226	-202,261
Total, Surface Mining.....	831,838	889,699	677,927	-211,772
Budget authority	[832,163]	[889,940]	[677,927]	[-212,013]
Rescissions/reductions of new BA	[-325]	[-241]	[0]	[+241]
U.S. GEOLOGICAL SURVEY				
<i>Current Appropriations</i>				
Surveys, Investigations, and Research	1,085,844	1,069,744	1,102,492	+32,748
Rescissions/reductions of new BA	-2,172	-1,712	0	+1,712
Account total.....	1,083,672	1,068,032	1,102,492	+34,460
Subtotal, current appropriations.....	1,083,672	1,068,032	1,102,492	+34,460
Budget authority	[1,085,844]	[1,069,744]	[1,102,492]	[+32,748]
Rescissions/reductions of new BA	[-2,172]	[-1,712]	[0]	[+1,712]
<i>Permanent Appropriations</i>				
Operations and Maintenance of Quarters	39	25	35	+10
Contributed Funds.....	922	572	629	+57
Subtotal, permanent appropriations	961	597	664	+67

COMPARISON OF 2011, 2012, AND 2013 BUDGET AUTHORITY
(in thousands of dollars)

Appropriation/ Bureau/Account	2011 Actual	2012 Enacted	2013 Request	Change
USGS (continued)				
Total, Geological Survey.....	1,084,633	1,068,629	1,103,156	+34,527
Budget authority	[1,086,805]	[1,070,341]	[1,103,156]	[+32,815]
Rescissions/reductions of new BA	[-2,172]	[-1,712]	[0]	[+1,712]
FISH AND WILDLIFE SERVICE				
<i>Current Appropriations</i>				
Resource Management	1,247,356	1,228,142	1,247,044	+18,902
Rescissions/reductions of new BA.....	-2,495	-1,965	0	+1,965
Account total (w/o transfers).....	1,244,861	1,226,177	1,247,044	+20,867
Other net transfers	+1,000	0	0	0
Account total (w/ transfers).....	1,245,861	1,226,177	1,247,044	+20,867
Construction	20,846	23,088	19,136	-3,952
Rescissions/reductions of new BA.....	-42	-37	0	+37
Account total.....	20,804	23,051	19,136	-3,915
Land Acquisition.....	55,000	54,720	106,892	+52,172
Rescissions/reductions of new BA.....	-110	-88	0	+88
Account total.....	54,890	54,632	106,892	+52,260
Land-Owner Incentive Program.....	0	0	0	0
Rescissions/reduction of prior year BA.....	-3,049	0	0	0
Account total.....	-3,049	0	0	0
Multinational Species Conservation Fund	10,000	9,481	9,980	+499
Rescissions/reductions of new BA.....	-20	-15	0	+15
Account total.....	9,980	9,466	9,980	+514
North American Wetlands Conservation Fund.....	37,500	35,554	39,425	+3,871
Rescissions/reductions of new BA.....	-75	-57	0	+57
Account total.....	37,425	35,497	39,425	+3,928
Coop Endangered Species Conservation Fund	60,000	47,757	60,000	+12,243
Rescissions/reductions of new BA.....	-120	-76	0	+76
Account total.....	59,880	47,681	60,000	+12,319
National Wildlife Refuge Fund	14,500	13,980	0	-13,980
Rescissions/reductions of new BA.....	-29	-22	0	+22
Account total.....	14,471	13,958	0	-13,958
Neotropical Migratory Bird Conservation	4,000	3,792	3,786	-6
Rescissions/reductions of new BA.....	-8	-6	0	+6
Account total.....	3,992	3,786	3,786	0
State and Tribal Wildlife Grants.....	62,000	61,421	61,323	-98
Rescissions/reductions of new BA.....	-124	-98	0	+98
Account total.....	61,876	61,323	61,323	0
Coastal Impact Assistance	0	0	0	0
Cancellation of prior year BA.....	0	0	-200,000	-200,000
Account total.....	0	0	-200,000	-200,000

COMPARISON OF 2011, 2012, AND 2013 BUDGET AUTHORITY
(in thousands of dollars)

<u>Appropriation/ Bureau/Account</u>	<u>2011 Actual</u>	<u>2012 Enacted</u>	<u>2013 Request</u>	<u>Change</u>
FWS (continued)				
Subtotal, current appropriations.....	1,508,179	1,475,571	1,547,586	+72,015
Rescissions / reductions of prior year BA.....	-3,049	0	0	0
Cancellation of prior year BA.....	0	0	-200,000	-200,000
Subtotal, current appropriations (w/ PY resc and cancel; w/o trans) ...	1,505,130	1,475,571	1,347,586	-127,985
Other net transfers.....	+1,000	0	0	0
Subtotal, current appropriations (w/ PY resc, cancel, and trans)	1,506,130	1,475,571	1,347,586	-127,985
Budget authority	[1,511,202]	[1,477,935]	[1,547,586]	[+69,651]
Rescissions / reductions of new BA.....	[-3,023]	[-2,364]	[0]	[+2,364]
Rescissions / reductions of prior year BA.....	[-3,049]	[0]	[0]	[0]
Cancellation of prior year BA.....	0	0	[-200,000]	[-200,000]
Net transfers.....	[+1,000]	[0]	[0]	[0]
Permanent Appropriations				
Sport Fish Restoration	650,321	625,943	642,538	+16,595
Net transfers.....	-200,089	-192,000	-197,000	-5,000
Account total.....	450,232	433,943	445,538	+11,595
Migratory Bird Conservation Account	50,834	47,000	61,000	+14,000
North American Wetlands Conservation Fund	689	651	700	+49
National Wildlife Refuge Fund	7,281	8,000	8,000	0
Miscellaneous Permanent Appropriations.....	4,413	4,366	4,366	0
Recreation Enhancement Fee Program, FWS.....	5,189	5,000	5,000	0
Federal Aid in Wildlife Restoration.....	411,763	399,178	413,240	+14,062
Contributed Funds.....	3,654	4,000	4,000	0
Coop Endangered Species Conservation Fund	53,714	51,356	52,887	+1,531
Subtotal, permanent appropriations	987,769	953,494	994,731	+41,237
Budget authority	[1,187,858]	[1,145,494]	[1,191,731]	[+46,237]
Net transfers.....	[-200,089]	[-192,000]	[-197,000]	[-5,000]
Total, Fish and Wildlife (w/o PY resc, cancel, and trans).....	2,495,948	2,429,065	2,542,317	+113,252
Rescissions / reductions of prior year BA.....	-3,049	0	0	0
Cancellation of prior year BA.....	0	0	-200,000	-200,000
Other net transfers.....	+1,000	0	0	0
Total, Fish and Wildlife (w/ PY resc, cancel, and trans)	2,493,899	2,429,065	2,342,317	-86,748
Budget authority	[2,699,060]	[2,623,429]	[2,739,317]	[+115,888]
Rescissions / reductions of new BA.....	[-3,023]	[-2,364]	[0]	[+2,364]
Rescissions / reductions of prior year BA.....	[-3,049]	[0]	[0]	[0]
Cancellation of prior year BA.....	0	0	[-200,000]	[-200,000]
Net transfers.....	[-199,089]	[-192,000]	[-197,000]	[-5,000]
NATIONAL PARK SERVICE				
Current Appropriations				
Operation of the National Park System	2,254,559	2,240,152	2,250,050	+9,898
Rescissions / reductions of new BA.....	-4,509	-3,584	0	+3,584
Account total (w/o transfers).....	2,250,050	2,236,568	2,250,050	+13,482
Other net transfers	+277	0	0	0
Account total (w/ transfers).....	2,250,327	2,236,568	2,250,050	+13,482
National Recreation and Preservation	57,986	59,975	52,096	-7,879
Rescissions / reductions of new BA.....	-116	-96	0	+96
Account total.....	57,870	59,879	52,096	-7,783

COMPARISON OF 2011, 2012, AND 2013 BUDGET AUTHORITY
(in thousands of dollars)

<u>Appropriation/ Bureau/Account</u>	<u>2011 Actual</u>	<u>2012 Enacted</u>	<u>2013 Request</u>	<u>Change</u>
NPS (continued)				
Construction	210,066	159,621	131,173	-28,448
Rescissions/reductions of new BA	-420	-255	0	+255
Account total (w/o PY rescissions)	209,646	159,366	131,173	-28,193
Rescissions/reductions of prior year BA	-25,000	-4,000	0	+4,000
Account total (w/ PY rescissions)	184,646	155,366	131,173	-24,193
 Rescission of contract authority (LWCF)	-30,000	-30,000	-30,000	0
 Urban Park and Recreation Fund	0	0	0	0
Rescissions/reductions of prior year BA	-625	0	0	0
Account total	-625	0	0	0
 Land Acquisition and State Assistance	95,000	102,060	119,421	+17,361
Rescissions/reductions of new BA	-190	-163	0	+163
Account total	94,810	101,897	119,421	+17,524
 Historic Preservation Grants-in-Aid Fund	54,500	56,000	55,910	-90
Rescissions/reductions of new BA	-109	-90	0	+90
Account total	54,391	55,910	55,910	0
 Subtotal, current appropriations (w/o PY resc and trans)	2,636,767	2,583,620	2,578,650	-4,970
Rescissions/reductions of prior year BA	-25,625	-4,000	0	+4,000
Other net transfers	+277	0	0	0
Subtotal, current appropriations (w/ PY resc and transfers)	2,611,419	2,579,620	2,578,650	-970
 Budget authority	[2,672,111]	[2,617,808]	[2,608,650]	[-9,158]
Rescissions/reductions of new BA	[-5,344]	[-4,188]	[0]	[+4,188]
Rescissions/reductions of prior year BA	[-25,625]	[-4,000]	[0]	[+4,000]
Net transfers	[+277]	[0]	[0]	[0]
Rescission of contract authority	[-30,000]	[-30,000]	[-30,000]	[0]
 Permanent Appropriations				
Recreation Fee Permanent Appropriations	187,518	187,677	188,072	+395
Other Permanent Appropriations	154,671	161,217	164,310	+3,093
Stateside LWCF Grants from OCS revenues	289	105	94	-11
Miscellaneous Trust Funds	19,475	25,004	25,004	0
Land and Water Conservation Fund Contract Authority	30,000	30,000	30,000	0
 Subtotal, permanent appropriations	391,953	404,003	407,480	+3,477
 Total, Park Service (w/o PY rescissions and transfers)	3,028,720	2,987,623	2,986,130	-1,493
Rescissions/reductions of prior year BA	-25,625	-4,000	0	+4,000
Other net transfers	+277	0	0	0
Total, Park Service (w/ PY rescissions and transfers)	3,003,372	2,983,623	2,986,130	+2,507
 Budget authority	[3,064,064]	[3,021,811]	[3,016,130]	[-5,681]
Rescissions/reductions of new BA	[-5,344]	[-4,188]	[0]	[+4,188]
Rescissions/reductions of prior year BA	[-25,625]	[-4,000]	[0]	[+4,000]
Net transfers	[+277]	[0]	[0]	[0]
Rescission of contract authority	[-30,000]	[-30,000]	[-30,000]	[0]

COMPARISON OF 2011, 2012, AND 2013 BUDGET AUTHORITY
(in thousands of dollars)

<u>Appropriation/ Bureau/Account</u>	<u>2011 Actual</u>	<u>2012 Enacted</u>	<u>2013 Request</u>	<u>Change</u>
INDIAN AFFAIRS				
<i>Current Appropriations</i>				
Operation of Indian Programs	2,334,515	2,371,532	2,379,431	+7,899
Rescissions/reductions of new BA	-4,669	-3,794	0	+3,794
Mandated transfers	-1,000	0	0	0
Account total	2,328,846	2,367,738	2,379,431	+11,693
Construction	210,000	123,828	105,910	-17,918
Rescissions/reductions of new BA	-420	-198	0	+198
Account total	209,580	123,630	105,910	-17,720
Indian Land and Water Claims Settlements and				
Miscellaneous Payments to Indians	46,480	32,855	36,293	+3,438
Rescissions/reductions of new BA	-93	-53	0	+53
Account total	46,387	32,802	36,293	+3,491
Indian Guaranteed Loan Program Account	8,215	7,114	5,000	-2,114
Rescissions/reductions of new BA	-16	-11	0	+11
Account total	8,199	7,103	5,000	-2,103
Subtotal, current appropriations	2,593,012	2,531,273	2,526,634	-4,639
Budget authority	[2,599,210]	[2,535,329]	[2,526,634]	[-8,695]
Rescissions/reductions of new BA	[-5,198]	[-4,056]	[0]	[+4,056]
Net transfers	[-1,000]	[0]	[0]	[0]
<i>Permanent Appropriations</i>				
Operation and Maintenance of Quarters	5,502	5,533	5,528	-5
Gifts and Donations	0	100	100	0
Miscellaneous Permanent Appropriations	98,811	98,588	100,081	+1,493
White Earth Settlement Fund	1,365	2,500	2,500	0
Indian Loan Guaranty and Insurance Fund				
Liquidating Account	-108	-80	-80	0
Indian Direct Loan Program Account	2,690	484	0	-484
Indian Guaranteed Loan Program Account	6,068	2,138	0	-2,138
Revolving Fund for Loans, Liquidating Account	-702	-750	-600	+150
Indian Land and Water Claim Settlements and				
Miscellaneous Payments to Indians	104,928	104,656	0	-104,656
Subtotal, permanent appropriations	218,554	213,169	107,529	-105,640
Total, Indian Affairs	2,811,566	2,744,442	2,634,163	-110,279
Budget authority	[2,817,764]	[2,748,498]	[2,634,163]	[-114,335]
Rescissions/reductions of new BA	[-5,198]	[-4,056]	[0]	[+4,056]
Net transfers	[-1,000]	[0]	[0]	[0]

COMPARISON OF 2011, 2012, AND 2013 BUDGET AUTHORITY
(in thousands of dollars)

Appropriation/ Bureau/Account	2011 Actual	2012 Enacted	2013 Request	Change
DEPARTMENTAL OFFICES				
OFFICE OF THE SECRETARY				
<i>Current Appropriations</i>				
Office of the Secretary - Departmental Operations	118,836	262,317	261,631	-686
Rescissions/reductions of new BA	-238	-420	0	+420
Account total (w/o transfers)	118,598	261,897	261,631	-266
Other net transfers	+2,729	0	0	0
Account total (w/ transfers)	121,327	261,897	261,631	-266
Subtotal, current appropriations	121,327	261,897	261,631	-266
Budget authority	[118,836]	[262,317]	[261,631]	[-686]
Rescissions/reductions of new BA	[-238]	[-420]	[0]	[+420]
Net transfers	[+2,729]	[0]	[0]	[0]
<i>Permanent Appropriations</i>				
Mineral Leasing and Associated Payments	1,920,660	2,074,836	2,184,204	+109,368
National Petroleum Reserve, Alaska	2,959	2,660	2,710	+50
Leases of Lands Acquired for Flood Control, Navigation, and Allied Purposes	22,936	18,871	19,395	+524
Geothermal Lease Revenues, Payment to Counties	3,942	4,163	0	-4,163
Trust Land Consolidation Fund	0	1,900,000	0	-1,900,000
National Forests Fund, Payment to States	11,100	8,484	8,681	+197
State Share from Certain Gulf of Mexico Leases	866	400	375	-25
Indian Arts and Crafts Board	0	40	0	-40
Take Pride in America	1	5	5	0
Subtotal, permanent appropriations	1,962,464	4,009,459	2,215,370	-1,794,089
Total, Office of the Secretary	2,083,791	4,271,356	2,477,001	-1,794,355
Budget authority	[2,081,300]	[4,271,776]	[2,477,001]	[-1,794,775]
Rescissions/reductions of new BA	[-238]	[-420]	[0]	[+420]
Net transfers	[+2,729]	[0]	[0]	[0]
INSULAR AFFAIRS				
<i>Current Appropriations</i>				
Assistance to Territories	84,295	87,997	84,946	-3,051
Rescissions/reductions of new BA	-113	-96	0	+96
Account total	84,182	87,901	84,946	-2,955
Compact of Free Association	16,465	16,465	3,054	-13,411
Rescissions/reductions of new BA	-7	-5	0	+5
Account total	16,458	16,460	3,054	-13,406
Subtotal, current appropriations	100,640	104,361	88,000	-16,361
Budget authority	[100,760]	[104,462]	[88,000]	[-16,462]
Rescissions/reductions of new BA	[-120]	[-101]	[0]	[+101]
<i>Permanent Appropriations</i>				
Compact of Free Association	203,362	218,222	239,254	+21,032
Payments to the U.S. Territories, Fiscal Assistance	208,207	248,000	248,000	0
Subtotal, permanent appropriations	411,569	466,222	487,254	+21,032

COMPARISON OF 2011, 2012, AND 2013 BUDGET AUTHORITY
(in thousands of dollars)

Appropriation/ Bureau/Account	2011 Actual	2012 Enacted	2013 Request	Change
OIA (continued)				
Total, Insular Affairs	512,209	570,583	575,254	+4,671
Budget authority	[512,329]	[570,684]	[575,254]	[+4,570]
Rescissions / reductions of new BA	[-120]	[-101]	[0]	[+101]
OFFICE OF THE SOLICITOR				
<i>Current Appropriations</i>				
Office of the Solicitor - Salaries and Expenses	65,076	66,296	64,939	-1,357
Rescissions / reductions of new BA	-130	-106	0	+106
Account total	64,946	66,190	64,939	-1,251
Subtotal, current appropriations	64,946	66,190	64,939	-1,251
Total, Solicitor	64,946	66,190	64,939	-1,251
Budget authority	[65,076]	[66,296]	[64,939]	[-1,357]
Rescissions / reductions of new BA	[-130]	[-106]	[0]	[+106]
OFFICE OF INSPECTOR GENERAL				
<i>Current Appropriations</i>				
Office of Inspector General - Salaries and Expenses	48,590	49,471	48,493	-978
Rescissions / reductions of new BA	-97	-79	0	+79
Account total	48,493	49,392	48,493	-899
Subtotal, current appropriations	48,493	49,392	48,493	-899
Total, Inspector General	48,493	49,392	48,493	-899
Budget authority	[48,590]	[49,471]	[48,493]	[-978]
Rescissions / reductions of new BA	[-97]	[-79]	[0]	[+79]
OFFICE OF THE SPECIAL TRUSTEE FOR AMERICAN INDIANS				
<i>Current Appropriations</i>				
Federal Trust Programs	161,000	152,319	146,000	-6,319
Rescissions / reductions of new BA	-322	-244	0	+244
Account total	160,678	152,075	146,000	-6,075
Subtotal, current appropriations	160,678	152,075	146,000	-6,075
Budget authority	[161,000]	[152,319]	[146,000]	[-6,319]
Rescissions / reductions of new BA	[-322]	[-244]	[0]	[+244]
<i>Permanent Appropriations</i>				
Tribal Special Fund	320,410	328,324	338,699	+10,375
Tribal Trust Fund	98,009	100,430	103,604	+3,174
Subtotal, permanent appropriations	418,419	428,754	442,303	+13,549
Total, Office of the Special Trustee for American Indians.	579,097	580,829	588,303	+7,474
Budget authority	[579,419]	[581,073]	[588,303]	[+7,230]
Rescissions / reductions of new BA	[-322]	[-244]	[0]	[+244]

COMPARISON OF 2011, 2012, AND 2013 BUDGET AUTHORITY
(in thousands of dollars)

Appropriation/ Bureau/Account	2011 Actual	2012 Enacted	2013 Request	Change
DEPARTMENTAL OFFICES SUMMARY				
Subtotal, current appropriations.....	496,084	633,915	609,063	-24,852
Budget authority	[494,262]	[634,865]	[609,063]	[-25,802]
Rescissions/reductions of new BA	[-907]	[-950]	[0]	[+950]
Net transfers.....	[+2,729]	[0]	[0]	[0]
Subtotal, permanent appropriations	2,792,452	4,904,435	3,144,927	-1,759,508
Budget authority	[2,792,452]	[4,904,435]	[3,144,927]	[-1,759,508]
Total, Departmental Offices	3,288,536	5,538,350	3,753,990	-1,784,360
Budget authority	[3,286,714]	[5,539,300]	[3,753,990]	[-1,785,310]
Rescissions/reductions of new BA	[-907]	[-950]	[0]	[+950]
Net transfers.....	[+2,729]	[0]	[0]	[0]
NATIONAL INDIAN GAMING COMMISSION				
<i>Permanent Appropriations</i>				
National Indian Gaming Commission, Gaming Activity Fees	17,268	17,000	18,000	+1,000
Subtotal, permanent appropriations	17,268	17,000	18,000	+1,000
Total, National Indian Gaming Commission	17,268	17,000	18,000	+1,000
Budget authority	[17,268]	[17,000]	[18,000]	[+1,000]
DEPARTMENT-WIDE PROGRAMS				
<i>Current Appropriations</i>				
Central Hazardous Materials Fund.....	10,175	10,149	9,598	-551
Rescissions/reductions of new BA.....	-20	-16	0	+16
Account total.....	10,155	10,133	9,598	-535
Wildland Fire Management.....	919,897	566,495	726,473	+159,978
Rescissions/reductions of new BA.....	-1,840	-906	0	+906
Account total (w/o PY rescissions or transfers)	918,057	565,589	726,473	+160,884
Rescissions/reductions of prior year BA	-200,000	-82,000	0	+82,000
Other net transfers	+1,903	0	0	0
Account total (w/ PY rescissions or transfers)	719,960	483,589	726,473	+242,884
FLAME Wildfire Suppression Reserve Fund.....	61,000	92,000	92,000	0
Rescissions/reductions of new BA.....	-122	-147	0	+147
Account total.....	60,878	91,853	92,000	+147
Natural Resource Damage Assessment Fund.....	6,462	6,263	6,263	0
Rescissions/reductions of new BA.....	-13	-10	0	+10
Account total.....	6,449	6,253	6,263	+10
Working Capital Fund.....	85,823	62,019	70,647	+8,628
Rescissions/reductions of new BA.....	-172	-99	0	+99
Account total.....	85,651	61,920	70,647	+8,727

COMPARISON OF 2011, 2012, AND 2013 BUDGET AUTHORITY
(in thousands of dollars)

<u>Appropriation/ Bureau/Account</u>	<u>2011 Actual</u>	<u>2012 Enacted</u>	<u>2013 Request</u>	<u>Change</u>
DWP (continued)				
Subtotal, current appropriations (w/o PY rescs and trans).....	1,081,190	735,748	904,981	+169,233
Rescissions/reductions of prior year BA.....	-200,000	-82,000	0	+82,000
Other net transfers.....	+1,903	0	0	0
Subtotal, current appropriations (w/ PY rescs and trans).....	883,093	653,748	904,981	+251,233
Budget authority.....	[1,083,357]	[736,926]	[904,981]	[+168,055]
Rescissions/reductions of new BA.....	[-2,167]	[-1,178]	[0]	[+1,178]
Rescissions/reductions of prior year BA.....	[-200,000]	[-82,000]	[0]	[+82,000]
Other net transfers.....	[+1,903]	[0]	[0]	[0]
Permanent Appropriations				
Payments in Lieu of Taxes.....	375,558	386,748	398,351	+11,603
Natural Resource Damage Assessment Fund.....	74,037	70,000	60,000	-10,000
Net transfers.....	-7,162	-6,000	-6,000	0
Account total.....	66,875	64,000	54,000	-10,000
Subtotal, permanent appropriations.....	442,433	450,748	452,351	+1,603
Budget authority.....	[449,595]	[456,748]	[458,351]	[+1,603]
Net transfers.....	[-7,162]	[-6,000]	[-6,000]	[0]
Total, Department-wide Programs.....	1,325,526	1,104,496	1,357,332	+252,836
Budget authority.....	[1,532,952]	[1,193,674]	[1,363,332]	[+169,658]
Rescissions/reductions of new BA.....	[-2,167]	[-1,178]	[0]	[+1,178]
Rescissions/reductions of prior year BA.....	[-200,000]	[-82,000]	[0]	[+82,000]
Net transfers.....	[-5,259]	[-6,000]	[-6,000]	[0]

INTERIOR, ENVIRONMENT, AND RELATED AGENCIES SUMMARY

Total, Interior, Environment & Related Agencies (w/o transfers).....	16,375,877	18,188,264	16,337,435	-1,850,829
Other net transfers (current authority only).....	+3,158	0	0	0
Total, Interior, Environment & Related Agencies (w/ transfers).....	16,379,035	18,188,264	16,337,435	-1,850,829
Grand total, current authority.....	[11,011,124]	[10,488,847]	[10,726,441]	[+237,594]
Rescissions/reductions of new BA.....	[-21,843]	[-16,667]	[0]	[+16,667]
Cancellation of prior year BA.....	[0]	[0]	[-200,000]	[-200,000]
Rescissions/reductions of prior year BA.....	[-253,674]	[-86,000]	[0]	[+86,000]
Net mandated transfers (current transfers only).....	[+3,158]	[0]	[0]	[0]
Rescission of contract authority.....	[-30,000]	[-30,000]	[-30,000]	[0]
Net, current authority (w/ transfers).....	[10,708,765]	[10,356,180]	[10,496,441]	[+140,261]
Net, current authority (w/o transfers).....	[10,705,607]	[10,356,180]	[10,496,441]	[+140,261]
Grand total, permanent authority.....	[5,877,521]	[8,030,084]	[6,043,994]	[-1,986,090]
Net transfers.....	[-207,251]	[-198,000]	[-203,000]	[-5,000]
Net, permanent authority.....	[5,670,270]	[7,832,084]	[5,840,994]	[-1,991,090]

COMPARISON OF 2011, 2012, AND 2013 BUDGET AUTHORITY
(in thousands of dollars)

Appropriation/ Bureau/Account	2011 Actual	2012 Enacted	2013 Request	Change
ENERGY AND WATER DEVELOPMENT				
BUREAU OF RECLAMATION				
<i>Current Appropriations</i>				
Water and Related Resources	913,500	895,000	818,635	-76,365
Rescissions/reductions of new BA	-1,827	0	0	0
Account total	911,673	895,000	818,635	-76,365
Policy and Administration	61,200	60,000	60,000	0
Rescissions/reductions of new BA	-122	0	0	0
Account total	61,078	60,000	60,000	0
Indian Water Rights Settlements	0	0	46,500	+46,500
San Joaquin Restoration Fund	0	0	12,000	+12,000
California Bay-Delta Restoration	40,000	39,651	36,000	-3,651
Rescissions/reductions of new BA	-80	0	0	0
Account total	39,920	39,651	36,000	-3,651
Central Valley Project Restoration Fund	49,915	53,068	39,883	-13,185
Rescissions/reductions of new BA	-1	0	0	0
Account total	49,914	53,068	39,883	-13,185
Central Utah Project Completion Account	0	0	21,000	+21,000
Mandated transfers	0	0	-1,200	-1,200
Account total	0	0	19,800	+19,800
Utah Reclamation Mitigation and Conservation Account	0	0	0	0
Mandated transfers	0	0	+1,200	+1,200
Account total	0	0	1,200	+1,200
Subtotal, current appropriations	1,062,585	1,047,719	1,034,018	-13,701
Budget authority	[1,064,615]	[1,047,719]	[1,034,018]	[-13,701]
Rescissions/reductions of new BA	[-2,030]	[0]	[0]	[0]
Discretionary Offsets	-49,614	-52,767	-39,582	+13,185
<i>Permanent Appropriations</i>				
Colorado River Dam Fund, Boulder Canyon Project	88,593	112,537	111,089	-1,448
Miscellaneous Permanent Accounts	223	265	265	0
Bureau of Reclamation Loan Liquidating Account	-3,814	-851	-856	-5
San Joaquin Restoration Fund	51,900	24,077	0	-24,077
Reclamation Trust Funds	9,439	3,000	3,000	0
Federal Lands Recreation Enhancement Act	635	648	648	0
Taos Settlement Fund	16,000	0	0	0
Lower Colorado River Basin Development Fund	152,693	0	0	0
Water and Related Resources	276,730	0	0	0
Reclamation Water Settlements Fund	0	60,000	60,000	0
Subtotal, permanent appropriations	592,399	199,676	174,146	-25,530

COMPARISON OF 2011, 2012, AND 2013 BUDGET AUTHORITY
(in thousands of dollars)

<u>Appropriation/ Bureau/Account</u>	<u>2011 Actual</u>	<u>2012 Enacted</u>	<u>2013 Request</u>	<u>Change</u>
RECLAMATION (continued)				
Total, Reclamation.....	1,654,984	1,247,395	1,208,164	-39,231
Budget authority	[1,657,014]	[1,247,395]	[1,208,164]	[-39,231]
Rescissions/reductions of new BA	[-2,030]	[0]	[0]	[0]
Discretionary Offsets	-49,614	-52,767	-39,582	+13,185
CENTRAL UTAH PROJECT				
<i>Current Appropriations</i>				
Central Utah Project Completion Account.....	32,004	28,704	0	-28,704
Rescissions/reductions of new BA	-64	0	0	0
Mandated transfers	-1,497	-2,000	0	+2,000
Account total.....	30,443	26,704	0	-26,704
Utah Reclamation Mitigation and Conservation Account....	7,569	0	0	0
Mandated transfers	+1,497	+2,000	0	-2,000
Account total.....	9,066	2,000	0	-2,000
Subtotal, current appropriations.....	39,509	28,704	0	-28,704
Budget authority	[39,573]	[28,704]	[0]	[-28,704]
Rescissions/reductions of new BA	[-64]	[0]	[0]	[0]
Total, Central Utah Project	39,509	28,704	0	-28,704
Budget Authority	[39,573]	[28,704]	[0]	[-28,704]
Rescissions/reductions of new BA	[-64]	[0]	[0]	[0]
ENERGY AND WATER DEVELOPMENT SUMMARY				
Total, Energy and Water Development.....	1,694,493	1,276,099	1,208,164	-67,935
Grand total, current authority	[1,104,188]	[1,076,423]	[1,034,018]	[-42,405]
Rescissions/reductions of new BA.....	[-2,094]	[0]	[0]	[0]
Net, current authority	[1,102,094]	[1,076,423]	[1,034,018]	[-42,405]
Grand total, permanent authority	[592,399]	[199,676]	[174,146]	[-25,530]

COMPARISON OF 2011, 2012, AND 2013 BUDGET AUTHORITY
(in thousands of dollars)

<u>Appropriation/ Bureau/Account</u>	<u>2011 Actual</u>	<u>2012 Enacted</u>	<u>2013 Request</u>	<u>Change</u>
DEPARTMENT OF THE INTERIOR SUMMARY				
Total, Department of the Interior (w/o transfers)	18,070,370	19,464,363	17,545,599	-1,918,764
Other net transfers	+3,158	0	0	0
Total, Department of the Interior (w/ transfers)	18,073,528	19,464,363	17,545,599	-1,918,764
Grand total, current authority	[12,115,312]	[11,565,270]	[11,760,459]	[+195,189]
Rescissions / reductions of new BA	[-23,937]	[-16,667]	[0]	[+16,667]
Cancellation of prior year BA	[0]	[0]	[-200,000]	[-200,000]
Net transfers	[+3,158]	[0]	[0]	[0]
Rescissions / reductions of prior year BA	[-253,674]	[-86,000]	[0]	[+86,000]
Rescission of contract authority	[-30,000]	[-30,000]	[-30,000]	[0]
Net, current authority (w/ transfers)	[11,810,859]	[11,432,603]	[11,530,459]	[+97,856]
Net, current authority (w/o transfers)	[11,807,701]	[11,432,603]	[11,530,459]	[+97,856]
Grand total, permanent authority	[6,469,920]	[8,229,760]	[6,218,140]	[-2,011,620]
Net transfers	[-207,251]	[-198,000]	[-203,000]	[-5,000]
Net, permanent authority	[6,262,669]	[8,031,760]	[6,015,140]	[-2,016,620]

COMPARISON OF 2011, 2012, AND 2013 BUDGET AUTHORITY

EXPLANATORY NOTES

Appendix A is presented in a way that bridges between the scoring used by the Appropriations Committees and the scoring used by the Executive Branch. As a result, the budget totals in the 2013 Interior Budget in Brief differ slightly from the presentation in the 2013 President's budget. The President's budget uses a system of budget scoring required by the Budget Enforcement Act based on "net discretionary budget authority." The Interior Budget in Brief document almost exclusively uses a system of scoring based on "current authority" in order to be consistent with the presentation used by the Appropriations Committees.

Current authority portrays the amounts Congress appropriates each year to carry out the Department's programs, including funds classified as mandatory under the Budget Enforcement Act that must still be appropriated each year. Most mandatory funding does not require annual appropriations and is excluded from current authority. Net discretionary amounts exclude mandatory funding and are reduced by offsetting receipts. Additionally, there can be differences in how certain provisions are displayed or scored in appropriations as compared to the President's budget. For example, the rescission of NPS contract authority and the net receipts sharing provisions are shown as reductions to current authority and as reductions in the Appropriations Committee scoring tables. However, in the 2011 and 2012 columns of the 2013 President's Budget Appendix, these provisions are not shown as reductions to reach discretionary budget authority.

The difference in scoring impacts the budgets of BLM, Reclamation, and OIA. Both BLM and OIA have current accounts or portions of accounts that are classified as mandatory and are included in the Appropriations Committee scoring tables. This funding is excluded from the net discretionary totals for these bureaus. Additionally, BLM and Reclamation have receipts that offset account totals. The BLM Service Charges, Deposits, and Forfeitures account, BLM Mining Law Administration in the Management of Lands and Resources account, and Reclamation's Central Valley Project include discretionary offsets (receipts) that reduce discretionary totals.

As depicted on the table on the next page, scoring differences do not impact other bureaus and are slight, relative to the size of the budget, a net of \$153.1 million in 2013.

EXPLANATORY NOTES (CONTINUED)

Budget from Current Authority to Net Discretionary Authority

	2011 <u>Actual</u>	2012 <u>Enacted</u>	2013 <u>Request</u>
Total, Current Authority	11,810,859	11,432,603	11,530,459
Adjustment for Mandatory Current Accounts			
Bureau of Land Management			
Range Improvements	-10,000	-10,000	-10,000
Miscellaneous Trusts	-25,435	-19,700	-19,700
Insular Affairs			
Assistance to Territories.....	-27,720	-27,720	-27,720
Adjustment for Offsets			
Bureau of Land Management			
Mining Law Administration	-25,950	-14,304	-16,000
Bureau of Ocean Energy Management, Regulation and Enforcement			
Net Receipts Sharing*	-40,000	0	0
Office of the Secretary			
Net Receipts Sharing*	0	-42,000	-42,000
Reclamation Central Valley Restoration Receipts.....	-49,614	-52,767	-39,582
Office of Surface Mining Civil Penalties	0	-100	-100
Total, Net Discretionary	11,632,140	11,266,012	11,377,357

* The display for Net Receipts Sharing shown above varies from the display shown in the President's budget. The President's budget displays the offset against the Office of the Secretary. For 2011 net receipts sharing offset appropriations for the Bureau of Ocean Energy Management, Regulation and Enforcement. Beginning in 2012, net receipts sharing offset appropriations for the Office of the Secretary with the transfer of the funding for the Office of Natural Resources Revenue to OS.

Another difference in the presentation of budget materials is that the Office of Management and Budget presents the President's budget to the Congress in "millions of dollars" and the Interior Budget in Brief presents funding in "thousands of dollars," the level at which Congress appropriates. When several amounts that have been rounded to millions of dollars are added or subtracted, there may be small differences between the sums of the rounded and non-rounded numbers. This may result in slight differences between the totals in the President's budget and totals in this document.

Appendix A is structured to provide two account totals where applicable. Most accounts only have one total, which reflects annual congressional action. This total includes supplemental appropriations that fund operations ongoing in nature, like Wildland Fire operations; rescissions such as the across-the-board rescissions included in the 2011 Full-Year Continuing Resolution and the 2012 Interior, Environment and Related Agencies Appropriations; and transfers authorized by the Interior, Environment, and Related Agencies and the Energy and Water Development appropriations bills. When applicable, accounts include an additional total line which includes one-time rescissions and cancellations of prior year balances, transfers authorized by other Committees, and optional transfers. The purpose is to provide an agency total for "normalized" activities that is comparable to the initial enacted appropriation actions and a separate total that reflects all actions during the fiscal year.

2011 ACTUALS

Congress did not enact appropriations bills for any agencies except for the Department of Defense for Fiscal Year 2011. The government operated under a series of Continuing Resolutions, with the eighth CR providing funding for the full year.

EXPLANATORY NOTES (CONTINUED)

- The year started with a series of government-wide continuing resolutions.
 - ◊ The first continuing resolution (P.L. 111-242) provided funding through December 3, 2010. The CR included the following provisions:
 - Rescission of \$25.0 million in unobligated prior year balances from the OCS Connect project in BOEMRE.
 - Technical correction for Reclamation drought emergency assistance funding provided in P.L. 111-212 to extend the period of availability for unobligated balances from a one-year term.
 - ◊ The second continuing resolution (P.L. 111-290) provided funding through December 18, 2010.
 - ◊ The third continuing resolution (P.L. 111-317) provided funding through December 21, 2010.
 - ◊ The fourth continuing resolution (P.L. 111-322) provided funding through March 4, 2011, and authorized the reinstatement of 2011 payments to counties as authorized in the Geothermal Steam Act of 1970 (Sec. 161). The payments to counties were repealed for 2010 as part of the Interior, Environment and Related Agencies Appropriation Act, 2010.
 - ◊ The fifth continuing resolution (P.L. 112-4) provided funding through March 18, 2011.
 - ◊ The sixth continuing resolution (P.L. 112-6) provided funding through April 4, 2011. The CR included the following provision:
 - Rescission of \$25.0 million in unobligated prior year balances from the NPS Construction account.
 - ◊ The seventh continuing resolution (P.L. 112-8) provided funding through April 15, 2011.
- The Department of Defense and Full-Year Continuing Appropriations Act, 2011 (P.L. 112-10), incorporating the eighth continuing resolution, was signed on April 15, 2011. The bill provided funding for agencies at the 2010 enacted level, except where specified otherwise. The Act included an across-the-board rescission of 0.2 percent for discretionary budget authority provided in the full-year continuing resolution (Title I, Sec. 1119).

For certain bureaus and offices, Division B, the Full-Year Continuing Appropriations Act, 2011, included adjustments from the 2010 amounts for specific accounts.

- ◊ Provided that funds in the Bureau of Reclamation Water and Related Resources account in the CR are not subject to the provisos for San Gabriel Basin Restoration Fund, the Milk River Project, and the Departmental Irrigation Drainage program contained in the Energy and Water Development and Related Agencies Appropriations Act, 2010 (P.L. 111-85) (Title IV, Sec. 1403).
- ◊ Provided an annual rate of \$32.0 million for the Central Utah Project Completion Account (Title IV, Sec. 1432).
- ◊ Provided an annual rate of \$913.5 million for the Bureau of Reclamation, Water and Related Resources account (Title IV, Sec. 1433).

EXPLANATORY NOTES (CONTINUED)

- ◇ Provided an annual rate of \$49.9 million for the Bureau of Reclamation, Central Valley Project Restoration Fund (Title IV, Sec. 1434).
- ◇ Provided an annual rate of \$963.7 million for the BLM Management of Lands and Resources account (Title VII, Sec. 1701).
- ◇ Provided an annual rate of \$4.6 million for the BLM Construction account (Title VII, Sec. 1702).
- ◇ Provided an annual rate of \$22.0 million for the BLM Land Acquisition account (Title VII, Sec. 1703).
- ◇ Provided an annual rate of \$1.2 billion for the FWS Resource Management account (Title VII, Sec. 1704).
- ◇ Provided an annual rate of \$20.8 million for the FWS Construction account (Title VII, Sec. 1705).
- ◇ Provided an annual rate of \$55.0 million for the FWS Land Acquisition account (Title VII, Sec. 1706).
- ◇ Provided for the rescission of all unobligated balances in the FWS Landowner Incentive Program account (Title VII, Sec. 1707).
- ◇ Provided an annual rate of \$60.0 million for the FWS Cooperative Endangered Species Conservation Fund account (Title VII, Sec. 1708).
- ◇ Provided an annual rate of \$37.5 million for the FWS North American Wetlands Conservation Fund account (Title VII, Sec. 1709).
- ◇ Provided an annual rate of \$4.0 million for the FWS Neotropical Migratory Bird Conservation account (Title VII, Sec. 1710).
- ◇ Provided an annual rate of \$10.0 million for the FWS Multinational Species Conservation Fund account (Title VII, Sec. 1711).
- ◇ Provided an annual rate of \$62.0 million for the FWS State and Tribal Wildlife Grants account (Title VII, Sec. 1712).
- ◇ Provided an annual rate of \$2.3 billion for the NPS Operation of the National Park System account (Title VII, Sec. 1714).
- ◇ Eliminated funding for the NPS Park Partnership Project Grants account (Title VII, Sec. 1715).
- ◇ Provided an annual rate of \$58.0 million for the NPS National Recreation and Preservation account (Title VII, Sec. 1716).
- ◇ Provided an annual rate of \$54.0 million for the NPS Historic Preservation Fund account and eliminated funding for the Save America's Treasures grants (Title VII, Sec. 1717).
- ◇ Provided an annual rate of \$210.1 million for the NPS Construction account (Title VII, Sec. 1718).
- ◇ Rescinded the NPS contract authority for FY 2011 as authorized by 16 U.S.C. 4601-10a (Title VII, Sec. 1719).
- ◇ Provided an annual rate of \$95.0 million for the NPS Land Acquisition and State Assistance account (Title VII, Sec. 1720).
- ◇ Rescinded \$625,000 from the NPS Urban Park and Recreation Fund account (Title VII, Sec. 1721).
- ◇ Provided an annual rate of \$1.1 billion for the USGS Surveys, Investigations and Research account (Title VII, Sec. 1722).

EXPLANATORY NOTES (CONTINUED)

- ◇ Provided an annual rate of \$390.6 million, including offsetting collections, for the BOEMRE Royalty and Offshore Minerals Management account (Title VII, Sec. 1723).
- ◇ Provided an annual rate of \$11.8 million for the BOEMRE Oil Spill Research account (Title VII, Sec. 1724).
- ◇ Provided authority for the reorganization of BOEMRE, including the establishment of accounts and transfer of funding (Title VII, Sec. 1725).
- ◇ Provided an annual rate of \$2.3 billion for the BIA Operation of Indian Programs account (Title VII, Sec. 1726).
- ◇ Provided an annual rate of \$210.0 million for the BIA Construction account (Title VII, Sec. 1727).
- ◇ Provided an annual rate of \$46.5 million for the BIA Indian Land and Water Claims Settlements and Miscellaneous Payments to Indians account (Title VII, Sec. 1728).
- ◇ Eliminated funding for the BIA Indian Land Consolidation account (Title VII, Sec. 1729).
- ◇ Provided an annual rate of \$84.3 million for the OIA Assistance to Territories account (Title VII, Sec. 1730).
- ◇ Provided an annual rate of \$161.0 million for the Office of the Special Trustee for American Indians, Federal Trust Programs account (Title VII, Sec. 1731).
- ◇ Provided an annual rate of \$919.9 million for the Wildland Fire Management account and included a rescission of \$200.0 million of prior year unobligated balances (Title VII, Sec. 1732).
- ◇ Provided permanent authority for joint ticketing at the Pearl Harbor Naval Complex (Title VII, 1733).
- ◇ Provided a one-year extension until September 30, 2011, of the Federal and State cooperative forest, rangeland, and watershed restoration in Utah authority included in the Department of the Interior and Related Agencies Appropriations Act, 2005 (P.L. 108-447) (Title VII, Sec. 1748).
- Other legislation impacting Interior Appropriations and accounts and transfers included:
 - ◇ The NPS received a transfer of \$255,000 from the Office of National Drug Control Policy's High Intensity Drug Trafficking Areas program for drug trafficking deterrent actions.
 - ◇ The Wildland Fire Management account received a transfer of \$1.9 million from the Forest Service for fire activities.
 - ◇ The BLM transferred \$22,000 from the Management of Lands and Resources account to the NPS Operation of National Park System account for Service First activities.
 - ◇ The BOEMRE transferred \$2.7 million to the Office of the Secretary for the Office of Natural Resources Revenue as authorized by the Department of Defense and Full-Year Appropriations Act, 2011 (P.L. 112-10) for the reorganization of BOEMRE.
 - ◇ The BIA transferred \$1.0 million for the Tribal Law and Order Act Commission as authorized by Section 235(k) of P.L. 111-211.

EXPLANATORY NOTES (CONTINUED)

2012 ENACTED

Prior to the passage of the full-year appropriations, the Department operated under five continuing resolutions.

- The first continuing resolution (P.L. 112-33) provided funding through October 4, 2011.
- The second continuing resolution (P.L. 112-36) provided funding through November 18, 2011.
- The third continuing resolution (P.L. 112-55) provided funding through December 16, 2011.
- The fourth continuing resolution (P.L. 112-67) provided funding through December 17, 2011.
- The fifth continuing resolution (P.L. 112-68) provided funding through December 23, 2011.

On December 23, 2011, the President signed the Consolidated Appropriations Act, 2012 (P.L. 112-74), providing appropriations for fiscal year 2012. Division B, the Energy and Water Development and Related Agencies Appropriations Act included the following specific provisions and allowances:

- **Authorization** – The Act provides an expansion of the authorization for appropriations to \$30.0 million for the Las Vegas Wash wetlands restoration and Lake Mead improvement project (Sec. 203).
- **Authorization** – The Act provides an extension of the authority through 2013 for the water desalination program and authorizes \$3.0 million in appropriations for each fiscal year 2012 and 2013 (Sec. 204).

Division E, the Interior, Environment, and Related Agencies Appropriations Act, included the following specific provisions and allowances:

- **Authorization** – The Act includes a provision to extend the authorization of the Chesapeake Bay Gateways program in the NPS through 2013.
- **Rescission** – The Act includes a rescission of \$4.0 million in unobligated balances in the NPS Construction account.
- **Reorganization** – The Act continues the reorganization of BOEMRE by providing appropriations for the newly created Bureau of Ocean Energy Management and Bureau of Safety and Environmental Enforcement, and adopts the proposed transfer of the Office of Natural Resources Revenue to the Office of the Secretary.
- **Expansion of OCS Inspection Fees** – The Act included the proposed expansion for OCS inspection fees on each OCS above-water oil and gas facility and mobile drilling unit that is subject to inspection. The fee defrays inspection costs based on the complexity of the facility as determined by the number of wells. The offset for these fee collections totaled \$62.0 million.
- **OSM Permit Fees** – The Act includes the proposed permit fee in the OSM Regulation and Technology account. The fee is estimated to result in \$40,000 in offsetting collections in 2012.
- **Net Receipts Sharing** – The Act continued the provision to deduct two percent from the States' mineral leasing payments to help offset the administrative costs of Federal leasing programs. In 2012, the amount scored for this was \$42.0 million.
- **Rescission** – The Act includes a rescission of \$82.0 million in the unobligated balances in the Wildland Fire Management account.

EXPLANATORY NOTES (CONTINUED)

- **Oil and Gas Leasing Internet Program** – The Act authorizes the Secretary to establish an oil and gas leasing internet program (Sec. 110).
- **Reorganization of the Bureau of Ocean Energy Management, Regulation and Enforcement** – The Act included a provision provided in the 2011 Full-Year Continuing Resolution for the reorganization of BOEMRE. The provision allows for the establishment of accounts and transfer of funds (Sec. 112).
- **Palau Compact Extension** – The Act provided for an additional one-year discretionary extension of the Compact with Palau, which expired at the end of 2009. The extension allowed for continued payments to the Republic of Palau through 2012. The extension was scored as an increase of \$14.0 million in current authority (Sec. 120).
- **Vietnam Veterans Memorial Visitor Center** – The Act authorizes the use of Federal funds for the use in building the visitor center for the Vietnam Veterans Memorial only when awarded through competitive grants (Sec. 420).
- **Service First** – The Act provides permanent authority for the Service First programs at the Department of the Interior and Forest Service (Sec. 422).
- **Claim Maintenance Fee Amendments** – The Act amends the mining claim maintenance fees authorization to ensure that each mining claim pays a proportional share of the annual maintenance fee (Sec. 430).
- **Across-the-Board Rescission** – The Act includes an across-the-board rescission of 0.16 percent for all discretionary amounts provided in Division E, the Interior, Environment, and Related Agencies Appropriations Act (Sec. 436).

2013 APPROPRIATIONS

The following changes are proposed for inclusion in the 2013 Appropriations Acts.

- **Cancellation of Coastal Impact Assistance Balances** – The 2013 budget proposes to cancel \$200.0 million of mandatory funding balances from the Coastal Impact Assistance Program. This cancellation is shown as a reduction to current authority for the Fish and Wildlife Service for the purposes of scoring.
- **Fee Increase for Offshore Oil and Gas Inspections** – Through appropriations language, the Administration proposes to continue the current inspection fees authorized by Congress in 2012. These fees are estimated to generate \$65.0 million in 2013, up from \$62.0 million in 2012, from operators with offshore oil and gas drilling facilities that are subject to inspection by the BSEE. The increased fees will fund an expanded inspection program, and as enacted for 2012, operators will now be charged for the inspection of drilling rigs in addition to production platforms. These inspections are intended to increase production accountability, human safety, and environmental protection.
- **New Fee for Onshore Oil and Gas Inspections** – Through appropriations language, the Administration proposes to implement an inspection fee in 2013 for onshore oil and gas drilling activities that are subject to inspection by BLM. The proposed inspection fee is expected to generate an estimated \$48.0 million in 2013, \$10.0 million more than the corresponding \$38.0 million reduction in requested appropriations for BLM, thereby expanding the capacity of BLM's oil and gas inspection program. The fee would support Federal efforts to increase production accountability, human safety, and environmental protection.

EXPLANATORY NOTES (CONTINUED)

- **Onshore Oil and Gas Drilling Permit Fee** – The 2013 budget proposes to continue a fee for processing drilling permits through appropriations language, an approach taken by Congress in the Interior Appropriations Act. A fee of \$6,500 per drilling permit was authorized in 2010, and if continued, would generate an estimated \$32.5 million in offsetting collections in 2013.
- **Grazing Administrative Fee** – The 2013 budget includes a new grazing administrative fee of \$1.00 per animal unit month. The BLM proposes to implement the fee through appropriations language on a three-year pilot basis. The budget estimates the fee will generate \$6.5 million in funds that will assist BLM in processing grazing permits. During the period of the pilot, BLM will work through the process of promulgating regulations for the continuation of the grazing fee as a cost recovery fee after the pilot expires.
- **Surface Mining and Reclamation Permit Fee** – The 2013 budget continues an offsetting collection initiated in 2012, allowing the Office of Surface Mining, Reclamation and Enforcement, to retain coal mine permit application and renewal fees for the work performed as a service to the coal industry. The fee will help ensure the efficient processing, review and enforcement of the permits issued, while recovering some of the regulatory operations costs from the industry that benefits from this service. The fee, authorized by section 507 of the Surface Mining Control and Reclamation Act, would apply to mining permits on lands where regulatory jurisdiction has not been delegated to the States. The permit fee will generate an estimated \$3.4 million in offsetting collections in 2013.

ENERGY PROGRAMS

(in thousands of dollars)

Bureau/Program	2011 Actual	2012 Enacted	2013 Request	Change
BUREAU OF LAND MANAGEMENT				
Energy and Minerals Program				
Oil and Gas Management Subactivity.....	70,130	72,466	46,055	-26,411
Renewable Energy (geothermal) ^{1/}	[2,000]	[2,000]	[0]	[-2,000]
Offsetting Collections (APD fees)	45,500	32,500	32,500	0
Offsetting Collections (inspection fees).....	0	0	47,950	+47,950
Renewable Energy Subactivity ^{1/}	21,735	19,703	26,824	+7,121
Soil, Water, and Air - Air Quality Monitoring.....	0	2,000	2,000	0
Subtotal, Appropriations and Offsetting Collections.....	137,365	126,669	155,329	+28,660
Other Funding Sources				
Service Charges, Deposits, and Forfeitures Account				
Oil and Gas Cost Recoveries (non-APD) ^{2/}	3,978	2,900	2,900	0
Rights-of-Way Processing Cost Recoveries ^{3/}	8,200	8,200	8,200	0
ROW Cost Recoveries - Renewable Energy ^{3/}	[4,100]	[4,100]	[4,100]	[0]
Permanent				
APD Permit Processing Improvement Fund	19,247	19,515	18,926	-589
National Petroleum Reserve-2 Revenue	4	5	29	+24
Subtotal, Other Funding Sources	31,429	30,620	30,055	-565
Subtotal, Bureau of Land Management	168,794	157,289	185,384	+28,095
BLM Subtotal - New Energy Frontier Initiative ^{4/}	[159,112]	[146,184]	[174,255]	[+28,071]
BUREAU OF OCEAN ENERGY MANAGEMENT, REGULATION AND ENFORCEMENT ^{5/}				
Royalty and Offshore Minerals Management	238,999	0	0	0
Offsetting Collections.....	154,890	0	0	0
Inspection Fees.....	10,000	0	0	0
Oil Spill Research.....	11,744	0	0	0
Subtotal, Bureau of Ocean Energy				
Management, Regulation and Enforcement	415,633	0	0	0
BOEMRE Subtotal - New Energy Frontier Initiative ^{4/}	[415,633]	[0]	[0]	[0]
BUREAU OF OCEAN ENERGY MANAGEMENT ^{5/}				
Ocean Energy Management.....	0	59,616	62,701	+3,005
Offsetting Collections.....	[0]	101,082	101,404	+322
Subtotal, Bureau of Ocean Energy				
Management.....	0	160,778	164,105	+3,327
BOEM Subtotal - New Energy Frontier Initiative ^{4/}	[0]	[160,778]	[164,105]	[+3,327]
BUREAU OF SAFETY AND ENVIRONMENTAL ^{5/} ENFORCEMENT				
Offshore Safety and Environmental Enforcement	0	61,375	81,399	+20,024
Offsetting Collections.....	0	59,081	60,881	+1,800
Inspection Fees.....	0	62,000	65,000	+3,000
Oil Spill Research.....	0	14,899	14,899	0
Subtotal, Bureau of Safety and Environmental Enforcement	0	197,355	222,179	+24,824
BSEE Subtotal - New Energy Frontier Initiative ^{4/}	[0]	[197,355]	[222,179]	[+24,824]
BUREAU OF RECLAMATION				
Sustainable Hydropower.....	0	0	2,000	+2,000
Reclamation Subtotal - New Energy Frontier Initiative..	[0]	[0]	[2,000]	[+2,000]

ENERGY PROGRAMS
(in thousands of dollars)

Bureau/Program	2011 Actual	2012 Enacted	2013 Request	Change
U.S. GEOLOGICAL SURVEY				
Energy Resources - Renewable Energy	4,566	5,559	6,559	+1,000
Energy Resources - Conventional Energy	19,338	19,202	18,402	-800
Hydraulic Fracturing.....	7,289	6,030	19,030	+13,000
Subtotal, U.S. Geological Survey	31,193	30,791	43,991	+13,200
USGS Subtotal - New Energy Frontier Initiative	[31,193]	[30,791]	[43,991]	[+13,200]
FISH AND WILDLIFE SERVICE				
Consultation, Planning, and Enforcement.....	15,559	15,533	19,533	+4,000
FWS Subtotal - New Energy Frontier Initiative.....	[10,125]	[10,108]	[14,108]	[+4,000]
BUREAU OF INDIAN AFFAIRS				
Community and Economic Development				
Mining and Minerals Program (TPA).....	3,254	4,208	4,086	-122
Mining and Minerals Program (non-TPA).....	12,870	12,702	12,675	-27
Mining and Minerals Central Oversight.....	1,476	892	892	0
Mining and Minerals Regional Oversight	861	858	768	-90
Fort Berthold Real Estate Services	1,000	1,000	1,000	0
Subtotal, Bureau of Indian Affairs	19,461	19,660	19,421	-239
BIA Subtotal - New Energy Frontier Initiative	[6,000]	[8,500]	[8,500]	[0]
OFFICE OF THE SECRETARY				
Office of Hearings and Appeals.....	1,387	1,364	1,329	-35
Office of Natural Resources Revenue ^{5/}	0	119,418	119,609	+191
Subtotal, Office of the Secretary	1,387	120,782	120,938	+156
OS Subtotal - New Energy Frontier Initiative.....	[0]	[119,418]	[119,609]	[+191]
TOTAL, DEPARTMENT OF THE INTERIOR (w/ oc)....	652,027	702,188	777,551	+75,363
TOTAL, NEW ENERGY FRONTIER INITIATIVE ^{4/} ..	[622,063]	[673,134]	[748,747]	[+75,613]

^{1/} The 2013 budget shifts \$2.0 million in base funding for geothermal energy from the Oil and Gas Management subactivity to the Renewable Energy subactivity.

^{2/} These cost recovery amounts are estimates only in the CY and BY.

^{3/} Amounts shown are 50 percent of the total rights-of-way cost recoveries, reflecting estimates for energy related rights-of-way. It is then estimated that 50 percent of energy related ROWs are renewable energy related.

^{4/} The New Energy Frontier initiative subtotals include current and permanent funding as well as offsetting collections for BLM, BOEMRE, BOEM, and BSEE.

^{5/} Funding in 2012 and 2013 reflects the reorganization of BOEMRE into BOEM, BSEE, and ONRR in the OS.

WATERSMART

(in thousands of dollars)

Bureau/Account/Activity	2011 Actual	2012 Enacted	2013 Request	Change
BUREAU OF RECLAMATION				
Water and Related Resources				
WaterSMART Grants.....	33,046	12,233	21,500	+9,267
Basin Studies	8,288	4,928	6,000	+1,072
Cooperative Watershed Management*	0	247	250	+3
Title XVI Water Reclamation and Reuse Program.....	20,542	24,653	20,271	-4,382
Water Conservation Field Services*	7,839	5,047	5,886	+839
Subtotal, Bureau of Reclamation.....	69,715	47,108	53,907	+6,799
U.S. GEOLOGICAL SURVEY				
Surveys, Investigations, and Research				
Ecosystems				
Fisheries: Aquatic and Endangered Resources...	499	498	1,748	+1,250
Climate and Land Use Change				
Geographic Analysis and Monitoring.....	499	498	498	0
Energy, Minerals, and Environmental Health				
Contaminant Biology.....	0	0	1,000	+1,000
Toxic Substances Hydrology	0	0	2,500	+2,500
Water Resources				
Groundwater Resources.....	2,090	2,685	5,185	+2,500
National Water Quality Assessment.....	0	0	3,500	+3,500
Hydrologic Networks and Analysis.....	2,849	4,293	4,793	+500
Core Science Systems				
National Cooperative Geologic Mapping	0	0	1,000	+1,000
National Geospatial Program.....	0	0	750	+750
Subtotal, U.S. Geological Survey	5,937	7,974	20,974	+13,000
TOTAL, DEPARTMENT OF THE INTERIOR.....	75,652	55,082	74,881	+19,799

* Cooperative Watershed Management and Water Conservation Field Services programs are incorporated into WaterSMART beginning in 2012.

YOUTH IN THE GREAT OUTDOORS

(in thousands of dollars)

Bureau/Program	2011 Actual	2012 Enacted	2013 Request	Change
BUREAU OF LAND MANAGEMENT				
Soil, Water and Air Management	3,611	3,611	1,111	-2,500
Recreation Resource Management	4,009	4,009	4,009	0
National Fish and Wildlife Foundation	1,000	1,000	1,000	0
Subtotal, Bureau of Land Management	8,620	8,620	6,120	-2,500
U.S. GEOLOGICAL SURVEY				
Science Support	1,450	1,512	1,479	-33
Enterprise Information	500	90	75	-15
National Cooperative Geologic Mapping-EDMAP	686	600	600	0
Subtotal, U.S. Geological Survey	2,636	2,202	2,154	-48
FISH AND WILDLIFE SERVICE				
Refuges	4,775	4,079	4,207	+128
Fisheries	3,700	3,694	3,694	0
Ecological Services	404	0	0	0
Migratory Bird Management	524	524	524	0
National Conservation Training Center	4,400	4,193	4,193	0
Youth Internships	1,000	1,000	1,000	0
Subtotal, Fish and Wildlife Service	14,803	13,490	13,618	+128
NATIONAL PARK SERVICE				
Operation of the National Park System	13,523	13,194	13,186	-8
Recreational Fee Program	[6,400]	[6,400]	[6,400]	[0]
Subtotal, National Park Service	13,523	13,194	13,186	-8
TOTAL, DEPARTMENT OF THE INTERIOR	39,582	37,506	35,078	-2,428

LAND AND WATER CONSERVATION FUND

(in thousands of dollars)

Bureau/Account/Activity	2011 Actual	2012 Enacted	2013 Request	Change
FEDERAL LAND ACQUISITION				
Department of the Interior				
Bureau of Land Management	21,956	22,344	33,575	+11,231
Fish and Wildlife Service	54,890	54,632	106,892	+52,260
National Park Service.....	54,890	56,969	59,421	+2,452
Interior Office of Valuation Services.....	12,112	12,692	12,112	-580
Subtotal, Department of the Interior.....	143,848	146,637	212,000	+65,363
Interior Collaborative Landscape Planning.....			[83,597]	
Department of Agriculture				
Forest Service	32,934	52,605	57,934	+5,329
Forest Service Collaborative Landscape Planning .			[25,000]	
TOTAL, FEDERAL LAND ACQUISITION	176,782	199,242	269,934	+70,692
Total, Collaborative Landscape Planning.....			[108,597]	
OTHER CONSERVATION GRANTS				
Department of the Interior				
FWS Cooperative Endangered Species				
Conservation Fund*	30,938	47,681	60,000	+12,319
NPS State Grants - Discretionary	39,920	44,928	60,000	+15,072
Subtotal, Department of the Interior.....	70,858	92,609	120,000	+27,391
Department of Agriculture				
Forest Service - Forest Legacy.....	52,894	53,388	60,000	+6,612
TOTAL, OTHER CONSERVATION GRANTS	123,752	145,997	180,000	+34,003
TOTAL LAND AND WATER CONSERVATION FUND.....	300,534	345,239	449,934	+104,695
TOTAL, DEPARTMENT OF THE INTERIOR	214,706	239,246	332,000	+92,754
TOTAL, DEPARTMENT OF AGRICULTURE.....	85,828	105,993	117,934	+11,941

* The 2011 and 2012 amounts include only the funding that is appropriated by Congress from the LWCF. The 2013 budget proposes to fund all of the CESCFC from LWCF.

LAND ACQUISITION PROGRAM

LAND AND WATER CONSERVATION FUND

(in thousands of dollars)

Bureau/State/Project	Acres	2013 Request
BUREAU OF LAND MANAGEMENT		
Arizona		
Ironwood Forest National Monument.....	459	1,000
California		
California Coastal National Monument.....	366	4,500
California Wilderness.....	3,800	3,068
Carrizo Plain National Monument.....	1,200	1,200
Subtotal		8,768
Florida		
Lathrop Bayou Habitat Management Area ^{1/}	206	412
Colorado		
Dominguez-Escalante National Conservation Area.....	304	575
Idaho		
Upper Snake/South Fork Snake River Area of Critical Environmental Concern/SRMA.....	1,160	1,750
Montana		
Blackfoot River Special Resource Management Area/ Lewis and Clark National Trail ^{2/}	4,620	5,572
Nevada		
Red Rock Canyon National Conservation Area.....	3	500
Oregon		
Cascade-Siskiyou National Monument.....	1,287	2,000
Sandy River Area of Critical Environmental Concern/Oregon National Historic Trail	210	2,000
Subtotal		4,000
Utah		
Red Cliffs National Conservation Area	154	4,000
Subtotal, BLM line-item projects		26,577
Acquisition Management		3,000
Emergencies and Hardships		1,498
Hunter and Angler Access.....		2,500
Subtotal, Bureau of Land Management.....		33,575

**LAND ACQUISITION PROGRAM
LAND AND WATER CONSERVATION FUND**

(in thousands of dollars)

State/Project	Acres	2013 Request
FISH AND WILDLIFE SERVICE		
California		
Grasslands Wildlife Management Area.....	247	1,000
San Joaquin River National Wildlife Refuge	167	1,000
Subtotal		2,000
Florida		
Everglades Headwaters National Wildlife Refuge and Conservation Area	750	3,000
Okefenokee National Wildlife Refuge ^{1/}	16,863	13,636
St Marks National Wildlife Refuge ^{1/}	16,456	32,912
St Vincent National Wildlife Refuge	5	1,000
Subtotal		50,548
Kansas		
Flint Hills Legacy Conservation Area.....	6,503	1,951
Montana		
Rocky Mountain Front Conservation Area ^{2/}	30,685	19,742
New Mexico		
Middle Rio Grande National Wildlife Refuge	100	1,500
Texas		
Neches River National Wildlife Refuge.....	640	1,000
Washington		
Nisqually National Wildlife Refuge.....	208	1,000
Multi-State		
Dakota Grassland Conservation Area (ND/SD).....	10,333	2,500
Dakota Tallgrass Prairie Wildlife Management Area (ND/SD)	1,020	500
Northern Tallgrass Prairie National Wildlife Refuge (IA/MN)	166	500
Silvio O. Conte National Wildlife Refuge (CT/MA/NH/VT)	1,041	1,500
Upper Mississippi River National Wildlife Refuge (IA/IL/MN/WI)	335	1,000
Subtotal		6,000
Subtotal, FWS line-item projects		83,741
Acquisition Management		10,739
Land Protection Planning		3,434
User Pay Cost Share		2,003
Inholdings/Emergencies/Hardships		4,980
Exchanges		1,995
Subtotal, Fish and Wildlife Service.....		106,892

**LAND ACQUISITION PROGRAM
LAND AND WATER CONSERVATION FUND**

(in thousands of dollars)		
State/Project	Acres	2013 Request
NATIONAL PARK SERVICE		
Arizona		
Petrified Forest National Park.....	26,495	5,000
California		
Santa Monica Mountains National Recreation Area	238	2,441
Montana		
Glacier National Park ^{2/}	120	3,323
Virgin Islands		
Virgin Islands National Park.....	74	2,738
Washington		
Mount Rainier National Park.....	226	1,000
Wyoming		
Grand Teton National Park ^{3/}	121	8,000
Multi-State		
Civil War Sesquicentennial Units		5,000
National Trails		4,000
Subtotal		9,000
Subtotal, NPS line-item projects.....		31,502
Acquisition Management		9,500
Emergencies, Hardships, and Relocation.....		3,069
Inholdings, Donations, and Exchanges		6,364
American Battlefield Protection Program Acquisition Grants		8,986
Subtotal, National Park Service		59,421
OFFICE OF THE SECRETARY		
Office of Valuation Services		12,112
TOTAL, DEPARTMENT OF THE INTERIOR.....		212,000

^{1/} These projects are part of the Collaborative Landscape Planning for the Florida Georgia Longleaf Pine landscape.

^{2/} These projects are part of the Collaborative Landscape Planning for the Crown of the Continent: Northern Rockies landscape.

^{3/} These projects are part of the Collaborative Landscape Planning for the Crown of the Continent: Greater Yellowstone landscape.

EVERGLADES RESTORATION

(in thousands of dollars)

Bureau/Account/Program Activity	2011 Actual	2012 Enacted	2013 Request	Change
U.S. GEOLOGICAL SURVEY				
Surveys, Investigations, and Research	6,893	6,882	7,882	+1,000
FISH AND WILDLIFE SERVICE				
Resource Management				
Comprehensive Everglades Restoration				
Implementation	3,251	3,246	3,246	0
Ecological Services	2,475	2,471	2,471	0
Refuges and Wildlife	4,022	4,016	4,016	0
Migratory Birds	99	99	99	0
Law Enforcement	609	608	608	0
Fisheries	92	92	92	0
Land Acquisition				
Everglades Headwaters National				
Wildlife Refuge and Conservation Area	0	0	3,000	+3,000
Subtotal, Fish and Wildlife Service	10,548	10,532	13,532	+3,000
Comprehensive Everglades Restoration Plan				
Reimbursible Agreement with the U.S. Army				
Corps of Engineers	[3,000]	[3,000]	[3,000]	[0]
NATIONAL PARK SERVICE				
Operation of the National Park System				
Park Operations	30,110	29,611	29,883	+272
Comprehensive Everglades Restoration				
Implementation	4,741	4,691	4,736	+45
Comprehensive Everglades Restoration				
Implementation Rental Space	409	410	410	0
Task Force	1,317	1,303	1,308	+5
Everglades Research	3,865	3,822	3,832	+10
Construction				
Modified Water Deliveries Project	8,000	7,987	8,000	+13
Big Cypress Sustainable Trail System	3,552	2,669	0	-2,669
Land Acquisition				
Everglades National Park	0	24,960	0	-24,960
Big Cypress National Park and Preserve	0	5,551	0	-5,551
Everglades Acquisition Management	775	1,023	775	-248
Subtotal, National Park Service	52,769	82,027	48,944	-33,083
BUREAU OF INDIAN AFFAIRS				
Operation of Indian Programs				
Seminole and Miccosukee Tribal Water Studies	390	390	390	0
TOTAL, DEPARTMENT OF THE INTERIOR	70,600	99,831	70,748	-29,083

OCEANS

(in thousands of dollars)

Bureau/Account/Activity	2011 Actual	2012 Enacted	2013 Request	Change
BUREAU OF OCEAN ENERGY MANAGEMENT, REGULATION AND ENFORCEMENT				
Royalty and Offshore Minerals Management	184,100	0	0	0
Offsetting Collections.....	124,071	0	0	0
Inspection Fees.....	10,000	0	0	0
Oil Spill Research.....	11,744	0	0	0
Subtotal, Bureau of Ocean Energy Management, Regulation and Enforcement.....	329,915	0	0	0
BUREAU OF OCEAN ENERGY MANAGEMENT				
Ocean Energy Management.....	0	59,696	62,701	+3,005
Offsetting Collections.....	0	101,082	101,404	+322
Subtotal, Bureau of Ocean Energy Management.....	0	160,778	164,105	+3,327
BUREAU OF SAFETY AND ENVIRONMENTAL ENFORCEMENT				
Offshore Safety and Environmental Enforcement	0	61,375	81,399	+20,024
Offsetting Collections.....	0	59,081	60,881	+1,800
Inspection Fees.....	0	62,000	65,000	+3,000
Oil Spill Research.....	0	14,899	14,899	0
Subtotal, Bureau of Safety and Environmental Enforcemnt ...	0	197,355	222,179	+24,824
U.S. GEOLOGICAL SURVEY				
Surveys, Investigations, and Research				
Ecosystems	30,040	29,992	29,992	0
Climate and Land Use Change.....	3,094	2,296	2,296	0
Natural Hazards - Earthquake, Landslide, Global Seismic Network.....	13,573	13,551	13,530	-21
Natural Hazards - Coastal and Marine Geology	44,727	43,941	49,329	+5,388
Energy, Minerals, and Environmental Health.....	1,497	1,495	1,495	0
Water Resources	17,325	17,297	17,297	0
Core Science Systems - Synthesis, Analysis, Res	0	0	1,000	+1,000
Subtotal, U.S. Geological Survey	110,256	108,572	114,939	+6,367
FISH AND WILDLIFE SERVICE				
Resource Management.....	199,170	195,240	196,720	+1,480
Sport Fish Restoration Account ^{1/}	30,380	29,220	29,990	+770
North American Wetlands Conservation Fund ^{1/}	17,660	16,980	17,430	+450
Cooperative Endangered Species Conservation Fund (Section 6) ^{1/}	600	600	600	0
Subtotal, Fish and Wildlife Service.....	247,810	242,040	244,740	+2,700
NATIONAL PARK SERVICE				
Operation of the National Park System.....	80,980	79,632	79,632	0
Everglades Restoration and Research.....	4,962	4,908	4,938	+30
Subtotal, National Park Service	85,942	84,540	84,570	+30

OCEANS
(in thousands of dollars)

Bureau/Account/Activity	2011 Actual	2012 Enacted	2013 Request	Change
DEPARTMENTAL OFFICES				
Office of the Secretary				
Office of Natural Resources Revenue ^{2/}	0	59,709	59,805	+96
Office of Insular Affairs				
Assistance to Territories, Coral Reef Initiative	1,000	1,000	1,000	0
Subtotal, Departmental Offices	1,000	60,709	60,805	+96
DEPARTMENT-WIDE PROGRAMS				
Natural Resource Damage Assessment and Restoration ^{3/}				
Damage Assessments.....	22,043	14,000	10,000	-4,000
Restoration Implementation	25,229	26,000	30,000	+4,000
Subtotal, Department-wide Programs	47,272	40,000	40,000	0
TOTAL, DEPARTMENT OF THE INTERIOR.....	822,195	893,994	931,338	+37,344

^{1/} Grant amounts for 2012 and 2013 are estimates until awarded.

^{2/} The Interior Department reorganized the revenue management functions of the former Minerals Management Service to the Office of Natural Resources Revenue within the Office of the Secretary.

^{3/} The 2012 and 2013 figures are estimates as of January 2012. Restoration implementation is funded by permanent receipts from legal settlements.

MAINTAINING AMERICA'S HERITAGE

(in thousands of dollars)

Bureau/Account	2011 Actual	2012 Enacted	2013 Request	Change
MAINTENANCE				
Bureau of Land Management				
Management of Land and Resources ^{1/}	72,355	71,120	72,545	+1,425
Oregon and California Grant Lands	11,136	10,984	10,030	-954
National Landscape Conservation System	1,754	1,754	1,754	0
Recreation Fee Program	5,641	4,711	4,621	-90
Subtotal, Bureau of Land Management	90,886	88,569	88,950	+381
U.S. Geological Survey				
Surveys, Investigations, and Research	30,392	30,380	26,694	-3,686
Fish and Wildlife Service				
Resource Management	160,156	159,528	159,807	+279
Federal Highway Administration	28,808	20,000	20,000	0
Recreation Fee Program	2,246	1,860	1,800	-60
Subtotal, Fish and Wildlife Service	191,210	181,388	181,607	+219
National Park Service				
Operation of the National Park System	352,499	346,410	344,080	-2,330
Federal Highway Administration Park Roads	240,000	240,000	240,000	0
Recreation Fee Program	104,800	80,000	78,500	-1,500
Subtotal, National Park Service	697,299	666,410	662,580	-3,830
Indian Affairs ^{2/}				
Operation of Indian Programs	84,219	152,846	153,163	+317
Department-wide Programs				
Wildland Fire Management	6,137	6,127	6,127	0
SUBTOTAL, MAINTENANCE	1,100,143	1,125,720	1,119,121	-6,599
CONSTRUCTION				
Bureau of Land Management ^{1/}	4,617	3,570	0	-3,570
Fish and Wildlife Service	20,804	23,051	19,136	-3,915
National Park Service ^{3/}	209,646	159,366	131,173	-28,193
Indian Affairs ^{2/}	209,580	123,630	105,910	-17,720
SUBTOTAL, CONSTRUCTION	444,647	309,617	256,219	-53,398
TOTAL, DEPARTMENT OF THE INTERIOR	1,544,790	1,435,337	1,375,340	-59,997

APPENDIX I

TOTALS BY BUREAU

Bureau of Land Management.....	95,503	92,139	88,950	-3,189
U.S. Geological Survey	30,392	30,380	26,694	-3,686
Fish and Wildlife Service.....	212,014	204,439	200,743	-3,696
National Park Service	906,945	825,776	793,753	-32,023
Indian Affairs	293,799	276,476	259,073	-17,403
Department-wide Programs, Wildland Fire.....	6,137	6,127	6,127	0
TOTAL, DEPARTMENT OF THE INTERIOR.....	1,544,790	1,435,337	1,375,340	-59,997

^{1/} The 2013 Bureau of Land Management budget eliminates the Construction appropriation. Beginning in 2013, BLM construction and deferred maintenance projects will be funded in the Deferred Maintenance and Capital Improvements subactivity in the Management of Lands and Resources account.

^{2/} Starting in 2012, Indian Affairs moved \$57.3 million in facilities operation and maintenance from the Construction account to the Operation of Indian Programs account.

^{3/} The amounts included for NPS construction do not include rescissions of \$25.0 million in 2011 and \$4.0 million in the 2012 enacted appropriation.

CONSTRUCTION PROGRAM

INTERIOR, ENVIRONMENT, AND RELATED AGENCIES

(in thousands of dollars)

Bureau/State/Project	Estimated Cost	Through 2012	2013 Request
BUREAU OF LAND MANAGEMENT ^{1/}	0	0	0
FISH AND WILDLIFE SERVICE			
Arkansas			
White River National Wildlife Refuge Upgrade visitor center/ office with Tier Two energy improvements.	550	0	550
California			
San Pablo Bay National Wildlife Refuge Rehabilitate levee to restore tidal flow. ^{2/}	14,900	0	1,497
Georgia			
Okefenokee National Wildlife Refuge Repair boardwalk and observation platform.	159	0	159
Hawaii			
James Campbell National Wildlife Refuge Replace interpretive and entrance station.	134	0	134
Idaho			
Kooskia National Fish Hatchery Rehabilitate signs and interpretive displays.	25	0	25
Illinois			
Crab Orchard National Wildlife Refuge Investigate Little Grassy Dam site.	300	0	300
Nebraska			
Boyer Chute National Wildlife Refuge Demolish flood-damaged buildings.	300	0	300
Nevada			
Pahranagat National Wildlife Refuge Repair Upper Pahranagat Dam.	3,005	150	1,353
New Jersey			
Edwin B. Forsythe National Wildlife Refuge Rehabilitate Leeds Eco Trail boardwalk, phase two.	426	0	426
Oklahoma			
Tishomingo National Wildlife Refuge Rehabilitate headquarters building to improve energy efficiency.	139	0	139
South Carolina			
Bears Bluff National Fish Hatchery Replace decking and handrails on saltwater pier.	33	0	33

CONSTRUCTION PROGRAM
INTERIOR, ENVIRONMENT, AND RELATED AGENCIES
(in thousands of dollars)

Bureau/State/Project	Estimated Cost	Through 2012	2013 Request
Tennessee			
Tennessee National Wildlife Refuge Repair storm-damaged service road.	126	0	126
Texas			
Aransas National Wildlife Refuge Rehabilitate the Youth Environmental Training Area showers and restrooms.	140	0	140
Inks Dam National Fish Hatchery Replace fishing pier, ramp and slab.	100	0	100
Lower Rio Grande Valley National Wildlife Refuge Repair flood damage.	176	0	176
Vermont			
White River National Fish Hatchery Demolish and reconstruct the fish tagging building.	500	0	500
Reconstruct the river water infiltration gallery.	1,432	0	1,432
Missisquoi National Wildlife Refuge Construct erosion control to protect Indian burial ground.	156	0	156
Washington			
Turnbull National Wildlife Refuge Institute Tier Two energy efficiency for the Turnbull comfort station power line removal.	210	0	210
Servicewide			
National Wildlife Refuge System Demolish and dispose of excess property.	-	-	309
National Fish Hatchery System Demolish and dispose of excess property.	-	-	130
Dam Safety Program and Inspections	-	-	1,113
Bridge Safety Program and Inspections	-	-	739
Core Engineering Services	-	-	5,419
Seismic Safety Program	-	-	120
Environmental Compliance Management	-	-	998
Waste Prevention, Recycling, and Environmental Management Systems	-	-	100
User Cost Share	-	-	2,452
Subtotal Servicewide			10,941
TOTAL, FISH AND WILDLIFE SERVICE			19,136
NATIONAL PARK SERVICE			
Alaska			
Denali National Park and Preserve Abate hazardous materials and rehabilitate the Headquarters utility infrastructure - utilidor.	10,628	989	9,639

CONSTRUCTION PROGRAM
INTERIOR, ENVIRONMENT, AND RELATED AGENCIES
(in thousands of dollars)

Bureau/State/Project	Estimated Cost	Through 2012	2013 Request
Katmai National Park and Preserve Improve safety and resources at Brooks Camp by replacing road, barge landing, and boat launch.	2,498	0	2,498
Florida			
Dry Tortugas National Park Install emergency shoring at Fronts Two and Three of Fort Jefferson.	3,350	0	3,350
Everglades National Park ^{3/} Modify water delivery system.	414,877	406,877	8,000
Massachusetts			
Boston National Historical Park Protect employee's life, health, and safety by abating asbestos in the utility tunnel and rehabilitating water mains at Charlestown Navy Yard.	6,040	166	5,874
South Dakota			
Jewel Cave National Monument Prevent hazardous pollution from entering the Cave.	2,897	0	2,897
Washington			
Olympic National Park Continue ongoing restoration of the Elwha River ecosystem.	324,652	311,026	3,481
Wyoming			
Yellowstone National Park Protect visitors and staff through seismic stabilization and rehabilitation of the Albright Visitor Center.	9,365	478	8,887
Multi-State			
New Jersey, New York Statue of Liberty National Monument Replace potable water and wastewater on Liberty Island.	6,579	358	6,221
North Carolina, Virginia Blue Ridge Parkway Demolish and remove excess structures.	1,573	0	1,573
Servicewide			
Special Programs			
Emergency /Unscheduled	-	-	3,855
Housing Improvement Program	-	-	2,200
Dam Safety	-	-	1,248
Equipment Replacement	-	-	13,500
Subtotal, Special Programs			20,803

CONSTRUCTION PROGRAM
INTERIOR, ENVIRONMENT, AND RELATED AGENCIES
(in thousands of dollars)

Bureau/State/Project	Estimated Cost	Through 2012	2013 Request
Construction Planning	-	-	7,260
Construction Program Management and Operations	-	-	37,049
Management Planning	-	-	13,641
TOTAL, NATIONAL PARK SERVICE			131,173
INDIAN AFFAIRS ^{4/}			
<i>Education Construction</i>			
Employee Housing Repair			4,415
Repair critical life safety-related deficiencies in employee housing.			
Facilities Improvement and Repair			48,451
Repair critical life safety items, consolidate or close under-utilized facilities, and repair education facilities for BIE-funded schools.			
<i>Subtotal, Education Construction</i>			<i>52,866</i>
<i>Public Safety and Justice Construction</i>			
Facilities Improvement and Repair			
Address detention facilities improvement and repair needs, with emphasis on critical health and safety items identified in safety reports.			
Minor Improvement and Repair			2,206
Condition Assessments			288
Emergency Repair			370
Environmental Projects			547
Portable Offices for Law Enforcement			961
Detention Center Employee Housing			
Construct New Employee Housing			3,194
Advance Planning and Design			300
Fire Protection and Safety Coordination			
Procure fire trucks and equipment and install fire sprinklers and fire and smoke alarms in dormitories, detention centers, and other buildings.			
Fire Protection			3,274
Fire Safety Coordination			166
<i>Subtotal, Public Safety and Justice Construction</i>			<i>11,306</i>

CONSTRUCTION PROGRAM
INTERIOR, ENVIRONMENT, AND RELATED AGENCIES
(in thousands of dollars)

Bureau/State/Project	Estimated Cost	Through 2012	2013 Request
Resources Management Construction			
Irrigation Project Construction			
New Mexico			
Navajo Indian Irrigation Project			3,381
Multiple States			
Irrigation Projects - Rehabilitation			998
Engineering and Supervision			2,039
Survey and Design			292
Federal Power Compliance (FERC)			630
Safety of Dams Projects			
Rehabilitation - Expedited Actions			14,160
Arizona			
Davis Hawley Dam			
Montana			
Crow Dam			
Hell Roaring Dam			
New Mexico			
Red Lake Dam			
North Dakota			
Gordon Dam			
South Dakota			
Antelope			
South Okreek			
Expedited Issues - Mitigation of High Risks			61
Failure Modes			
Issues Evaluations			500
Security			181
Emergency Management Systems			2,850
Safety of Dams Inspection/Evaluations			2,850
Program Coordination			2,884
Dam Maintenance			1,907
<i>Subtotal, Resources Management Construction</i>			32,733
Other Program Construction, Improvement, and Repair			
Telecommunications Improvement and Repair			856
Facilities Quarters Improvement and Repair			1,171
Condition Assessments, Emergency Repair, Environmental Projects, Minor Improvement and Repairs			

CONSTRUCTION PROGRAM
INTERIOR, ENVIRONMENT, AND RELATED AGENCIES
(in thousands of dollars)

Bureau/State/Project	Estimated Cost	Through 2012	2013 Request
Construction Program Management			6,978
Facilities Management Information System, Program Management, Building Management			
<i>Subtotal, Other Program Construction, Improvement and Repair</i>			9,005
TOTAL, INDIAN AFFAIRS			105,910
BUREAU OF RECLAMATION (includes Central Utah Project Completion Act)			
Arizona			
Central Arizona Project	6,165	0	2,796
Verde River Fish Barrier			
Colorado River Front Work and Levee System-Colorado Yuma Mesa Conduit Construction Improvement	6,637	1,816	946
California			
Colorado River Front Work and Levee System			
Colorado River Backwater C5 Unit	434	28	23
Colorado River Backwater C8 Unit	179	1	178
Colorado River Backwater C10 Unit	168	22	130
Subtotal			331
Red Bluff Diversion Dam, Sacramento River Division, Central Valley Project ^{5/ 6/}	196,345	193,305	2,000
Colorado			
Orchard Mesa Irrigation District	16,500	5,698	7,837
Canal Automation and System Improvements			
New Mexico			
Navajo-Gallup Water Supply Project ^{7/}	1,006,112	93,099	85,000
Utah			
Central Utah Project	826,209	509,925	17,300
Safety of Dams			
California			
Folsom Dam ^{5/}	326,000	250,342	15,000
Nebraska			
Red Willow Dam	48,634	7,907	3,000
Utah			
Echo Dam	70,400	18,096	13,000

CONSTRUCTION PROGRAM
ENERGY AND WATER DEVELOPMENT
(in thousands of dollars)

Bureau/State/Project	Estimated Cost	Through 2012	2013 Request
Wyoming Glendo Dam	65,000	27,400	8,000
TOTAL, BUREAU OF RECLAMATION			155,210

^{1/} The 2013 BLM budget eliminates the Construction appropriation. Beginning in 2013, BLM construction projects will be funded in the Capital Improvements subactivity in the Management of Lands and Resources account.

^{2/} The construction project at San Pablo Bay NWR to rehabilitate and repair levees is funded in large part by private partners that have contributed \$13.4 million. The FWS request of \$1.5 million represents the full FWS requirement for this project.

^{3/} Estimated Cost does not include the Florida Department of Transportation commitment of \$3.0 million at Everglades NP.

^{4/} Indian Affairs does not provide cost estimates for construction projects until the planning and design for a project has progressed to the point where an accurate cost estimate can be made.

^{5/} Projects also obtained funding through the American Recovery and Reinvestment Act of 2009.

^{6/} In addition to appropriated funding, the State of California provided non-Federal contributions of \$12.0 million towards the Fish Passage Improvement Project at Red Bluff Diversion Dam.

^{7/} Includes permanent appropriations of \$60.0 million for each year 2012 through 2014 authorized by the Claims Resolution Act of 2010 and also includes an estimate of Cost-Share from the State of New Mexico.

RECREATIONAL FEE PROGRAM

(in thousands of dollars)

Bureau	2011 Actual	2012 Estimate	2013 Estimate
BUREAU OF LAND MANAGEMENT			
Unobligated Balance Brought Forward and Recoveries	13,253	13,060	12,594
Plus: Fee Revenues	+17,398	+17,500	+18,000
America the Beautiful Pass	[800]	[800]	[800]
Less: Funds Obligated	-17,591	-17,966	-18,031
Unobligated Balance	13,060	12,594	12,563
Total Expenditures (outlays).....	17,400	18,400	19,840
<i>Obligations by Type of Project</i>			
Asset Repair and Maintenance			
Facilities Routine and Annual Maintenance.....	4,748	4,000	3,900
Facilities Capital Improvements Health and Safety	15	11	11
Facilities Deferred Maintenance.....	878	700	710
Subtotal, Asset Repair and Maintenance	5,641	4,711	4,621
Interpretation and Visitor Services	5,451	5,600	5,700
Habitat Restoration	702	850	900
Law Enforcement	2,636	3,100	3,000
Direct Operation Costs - Cost of Collection	351	305	310
Fee Management Agreement and Reservation Services.....	1,757	2,200	2,200
Administration, Overhead, and Indirect Costs.....	1,053	1,200	1,300
Total Obligations	17,591	17,966	18,031
FISH AND WILDLIFE SERVICE			
Unobligated Balance Brought Forward and Recoveries	6,252	4,488	4,061
Plus: Fee Revenues	+5,189	+5,000	+5,000
America the Beautiful Pass	[388]	[390]	[392]
Less: Funds Obligated	-6,953	-5,427	-5,407
Unobligated Balance	4,488	4,061	3,654
Total Expenditures (outlays).....	5,320	6,000	6,000
<i>Obligations by Type of Project</i>			
Asset Repair and Maintenance			
Facilities Routine and Annual Maintenance.....	957	880	850
Facilities Capital Improvements.....	723	580	550
Facilities Deferred Maintenance.....	566	400	400
Subtotal, Asset Repair and Maintenance	2,246	1,860	1,800
Interpretation and Visitor Services	3,035	1,950	2,000
Habitat Restoration	153	170	200
Law Enforcement	265	300	300
Direct Operation Costs - Cost of Collection	863	750	700
Fee Management Agreement and Reservation Services.....	6	7	7
Administration, Overhead, and Indirect Costs.....	385	390	400
Total Obligations	6,953	5,427	5,407

Recreational Fee Program

(in thousands of dollars)

Bureau	2011 Actual	2012 Estimate	2013 Estimate
NATIONAL PARK SERVICE *			
Unobligated Balance Brought Forward and Recoveries	147,654	98,037	100,037
Plus: Fee Revenues	+172,399	+172,000	+172,000
America the Beautiful Pass	[26,951]	[26,951]	[26,951]
Less: Funds Obligated	-222,016	-170,000	-172,900
Unobligated Balance	98,037	100,037	99,137
 Total Expenditures (outlays).....	 243,046	 140,500	 149,000
<i>Obligations by Type of Project</i>			
Asset Repair and Maintenance			
Facilities Routine and Annual Maintenance.....	4,800	4,000	4,000
Facilities Capital Improvements.....	12,000	4,000	4,500
Facilities Deferred Maintenance.....	88,000	72,000	70,000
Subtotal, Asset Repair and Maintenance	104,800	80,000	78,500
Interpretation and Visitor Services	42,000	26,000	30,000
Habitat Restoration	22,658	13,000	13,500
Law Enforcement	2,500	1,000	900
Direct Operation Costs - Cost of Collection	35,058	35,000	35,000
Fee Management Agreement and Reservation Services.....	5,500	5,500	5,500
Administration, Overhead, and Indirect Costs.....	9,500	9,500	9,500
Total Obligations	222,016	170,000	172,900
BUREAU OF RECLAMATION			
Unobligated Balance Brought Forward and Recoveries	611	939	0
Plus: Fee Revenues	+635	+648	+648
Less: Funds Obligated	-307	-1,587	-648
Unobligated Balance	939	0	0
 Total Expenditures (outlays).....	 252	 1,646	 648
<i>Obligations by Type of Project</i>			
Visitor Services.....	307	1,587	648
Total Obligations	307	1,587	648

* The above information represents accounting changes per the Federal Lands Recreation Enhancement Act that combine Recreation Fee, National Park Pass, America the Beautiful Pass, and Deed Restricted revenues when reporting obligations and unobligated balances for the Recreation Fee program. This table does not include other programs administered under the Recreation Fee Permanent account such as the Transportation Systems Fund, Education Expenses for the Children of Yellowstone National Park Employees, and the Payment of Tax Losses on Land Acquired at Grand Teton National Park.

GRANTS AND PAYMENTS

(in thousands of dollars)

Bureau/Grant or Payment	2011 Actual	2012 Estimate	2013 Estimate	Change
BUREAU OF LAND MANAGEMENT				
General Fund Payment to Counties and Native Corporations ^{1/}	75,077	28,462	0	-28,462
Payments to States and Counties from Shared Receipts including SNPLMA Payments.....	14,118	23,424	21,511	-1,913
OFFICE OF SURFACE MINING				
Abandoned Mine Reclamation State Grants	395,558	485,496	306,600	-178,896
State and Tribal Regulatory Grants	68,700	68,590	57,674	-10,916
BUREAU OF RECLAMATION				
Boulder Canyon Project Payments to AZ, NV	600	600	600	0
Title XVI Water Reclamation and Reuse Program ^{2/}	20,542	24,653	20,271	-4,382
WaterSMART Grants ^{2/}	33,046	12,233	21,500	+9,267
FISH AND WILDLIFE SERVICE				
Boating Infrastructure Grants	12,724	12,238	12,564	+326
Clean Vessel Act Grants	12,724	12,238	12,564	+326
Coastal Wetlands Conservation	35,310	33,960	34,866	+906
Cooperative Endangered Species Conservation Fund ^{2/}	59,880	47,681	60,000	+12,319
Federal Aid in Wildlife Restoration Payments to States	375,830	362,761	376,308	+13,547
National Fish and Wildlife Foundation.....	7,537	7,525	7,525	0
Fish Commission and Boating Council	1,200	1,200	1,200	0
Hunter Education and Safety Grant Program.....	8,000	8,000	8,000	0
Multi-State Conservation Grant Program.....	6,000	6,000	6,000	0
Multinational Species Conservation Fund ^{2/}	9,980	9,466	9,980	+514
National Outreach Program.....	12,724	12,238	12,564	+326
National Wildlife Refuge Fund (current and permanent)	21,752	21,958	8,000	-13,958
Neotropical Migratory Bird Conservation ^{2/}	3,992	3,786	3,786	0
North American Wetlands Conservation Fund ^{2/}	38,114	36,148	40,125	+3,977
Sport Fish Restoration, Apportionment to States.....	362,641	348,776	358,088	+9,312
State and Tribal Wildlife Grants ^{2/}	61,876	61,323	61,323	0
NATIONAL PARK SERVICE				
American Battlefield Program Matching Grants				
LWCF.....	8,982	8,986	8,986	0
Non-LWCF.....	1,357	1,358	1,358	0
Challenge Cost Share	399	390	1,000	+610
Chesapeake Bay Gateway Grants.....	525	1,997	2,000	+3
Heritage Partnership Program.....	16,417	16,391	8,326	-8,065
Historic Preservation Grants				
Indian Tribes.....	7,984	8,985	8,985	0
States and Territories.....	46,407	46,925	46,925	0
Japanese-American Confinement Site Grants	2,994	2,995	2,995	0
LWCF State Conservation Grants.....	37,126	42,138	36,500	-5,638
LWCF State Competitive Conservation Grants.....	0	0	20,000	+20,000
LWCF State Conservation Grants from OCS				
Oil Lease Revenues	280	102	91	-11
Native American Graves Protection Act Grants	1,746	1,747	1,747	0

GRANTS AND PAYMENTS

(in thousands of dollars)

Bureau/Grant or Payment	2011 Actual	2012 Estimate	2013 Estimate	Change
OFFICE OF THE SECRETARY - OFFICE OF NATURAL RESOURCES REVENUE				
8(g) Payments to States	40,996	42,664	44,212	+1,548
Cooperative and Delegated Audits of Oil and Gas Operations	10,155	11,900	11,900	0
Mineral Revenue Payments to States ^{3/}	1,953,254	2,105,442	2,215,531	+110,089
Geothermal Payments to Counties.....	3,942	4,163	0	-4,136
Qualified OCS Revenue Payments to Gulf of Mexico States (GOMESA)	866	400	375	-25
OFFICE OF INSULAR AFFAIRS				
American Samoa	22,707	22,717	22,752	+35
Brown Tree Snake	2,994	2,995	3,000	+5
Compact of Free Association (permanent).....	203,362	218,222	239,254	+21,032
Compact of Free Association (current)	16,458	16,460	3,054	-13,406
Coral Reef Initiative.....	998	998	1,000	+2
Covenant Grants	27,720	27,720	27,720	0
Maintenance Assistance Fund	2,443	2,237	741	-1,496
Return Federal Taxes to Guam and Virgin Islands.....	208,207	248,000	248,000	0
Technical Assistance	15,271	18,774	12,500	-6,274
Water and Wastewater Projects.....	791	790	0	-790
Compact Impact Discretionary	0	0	5,000	+5,000
Empowering Insular Communities.....	1,996	2,205	2,971	+766
DEPARTMENT-WIDE PROGRAMS				
Rural Fire Assistance	7,000	0	0	0
Payments in Lieu of Taxes	375,558	386,748	398,351	+11,603
TOTAL, DEPARTMENT OF THE INTERIOR.....	4,656,860	4,873,205	4,616,323	-256,882

^{1/} The budget reflects a five-year reauthorization of the Secure Rural School Act with funding through mandatory appropriations in the USDA Forest Service Appropriations.

^{2/} Amounts shown include administrative costs.

^{3/} Amounts include receipts for sales in the National Petroleum Reserve - Alaska, Mineral Leasing Associated Payments, National Forest Fund Payments to States, and Payments to States from Lands Acquired for Flood Control, Navigation, and Allied Purposes.

RECEIPTS BY SOURCE CATEGORY

(in thousands of dollars)

Source Category	2011 Actual	2012 Estimate	2013 Estimate	Change
OFFSETTING RECEIPTS				
Onshore Energy Mineral Leasing				
Rents and Bonuses				
Oil and Gas.....	281,827	229,804	227,663	-2,141
Coal	166,647	502,849	464,901	-37,948
Geothermal.....	3,638	4,136	4,336	+200
All Other ^{1/}	95,389	173	173	0
Royalties				
Oil and Gas.....	2,783,789	2,588,640	2,729,762	+141,122
Coal	783,812	831,138	863,360	+32,222
Geothermal.....	11,998	12,416	12,913	+497
All Other ^{1/}	69,142	109,851	109,851	0
Subtotal, Onshore Energy Mineral Leasing	4,196,242	4,279,007	4,412,959	+133,952
Noncompetitive Filing Fees	53	37	37	0
Grazing Fees	15,199	14,092	14,082	-10
Timber Fees	31,181	23,758	20,528	-3,230
Recreation Entrance / Use Fees	210,224	210,404	210,990	+586
Park Concession Special Accounts and Other Fees	143,247	139,900	140,055	+155
Rent of Land and Structures.....	85,390	68,372	68,906	+534
Sale of Land, Water, Power, Buildings, etc.....	207,981	243,146	313,176	+70,030
Offsetting Earnings on Investments.....	130,701	89,405	97,765	+8,360
All Other Offsetting Receipts ^{2/}	979,665	2,778,291	852,786	-1,925,505
Subtotal, Offsetting Receipts	5,999,883	7,846,412	6,131,284	-1,715,128
UNDISTRIBUTED PROPRIETARY RECEIPTS				
OCS Mineral Leasing				
Rents and Bonuses.....	1,042,290	2,031,739	852,574	-1,179,165
Royalties.....	5,341,427	5,848,165	6,101,654	+253,489
Fee on Non-Producing Leases	0	0	13,000	+13,000
Subtotal, OCS Mineral Leasing.....	6,383,717	7,879,904	6,967,228	-912,676
Escrow Payout Interest	28,399	605	1,453	+848
Subtotal, Undistributed Proprietary Receipts.....	6,412,116	7,880,509	6,968,681	-911,828
NON-OFFSETTING GOVERNMENTAL RECEIPTS				
Mined Land Reclamation Fees.....	259,935	259,639	230,382	-29,257
All Other Non-Offsetting Receipts.....	509,577	518,190	535,230	+17,040
Subtotal, Non-Offsetting Governmental Receipts.....	769,512	777,829	765,612	-12,217
UNDISTRIBUTED INTERFUND RECEIPTS				
Non-offsetting Earnings on Investments	2,660	3,000	3,000	0
TOTAL, DEPARTMENT OF THE INTERIOR.....	13,184,171	16,507,750	13,868,577	-2,639,173

^{1/} The 2011 Actuals and 2012 and 2013 estimates for All Other (onshore rents and bonuses and onshore royalties) consist of monies collected from onshore mineral leases of nitrogen, methane, sulfur, helium, silver, gold, borax, clay, copper, potash, lead, limestone, sodium, zinc, phosphate, potassium, gilsonite, and other various minerals. The 2011 All Other actuals also consist of lease level transactions and ongoing adjustments and settlements relating to oil and gas, coal, and geothermal. The 2011 All Other actual Rents and Bonuses includes a \$67.5 million upward adjustment and \$27.9 million actuals. The 2011 All Other actual Royalties includes a \$23.0 million downward adjustment and \$92.1 million actuals. The 2012 and 2013 estimates do not include projected adjustments and settlements.

^{2/} The Cobell v. Salazar settlement establishes a \$1.9 billion fund for the voluntary buy-back and consolidation of fractionated land interests. In addition, as an added incentive to facilitate the purchase of fractionated land interests, up to \$60 million of the \$1.9 billion for land acquisition will be contributed to an existing, non-profit organization for the benefit of educating American Indians and Alaska natives. Upon final approval by the U.S. District Court for the District of Columbia, the Cobell v. Salazar settlement agreement will be implemented. The funding will be received from the Judgment Fund at the Treasury Department once all appeals are exhausted and the settlement becomes final.

MINERAL REVENUE PAYMENTS TO STATES *

(in thousands of dollars)

State	2011 Actual	2012 Estimate	2013 Estimate
Alabama.....	4,793	5,104	5,366
Alaska	15,147	16,447	17,142
Arizona	12	13	14
Arkansas.....	4,035	4,008	4,193
California.....	81,654	88,413	93,074
Colorado.....	156,811	169,787	178,736
Florida.....	233	253	266
Idaho	4,629	5,013	5,277
Illinois	208	171	176
Indiana	4	3	3
Kansas	1,873	2,026	2,132
Kentucky	313	241	247
Louisiana	17,982	19,110	20,091
Michigan.....	451	463	486
Minnesota.....	10	8	8
Mississippi.....	1,100	868	891
Missouri.....	3,685	2,817	2,882
Montana.....	43,125	46,694	49,156
Nebraska.....	28	30	32
Nevada.....	8,345	9,035	9,512
New Mexico	434,584	470,560	495,363
North Dakota	29,469	29,692	31,082
Ohio.....	323	264	271
Oklahoma	4,394	4,636	4,875
Oregon	380	411	433
Pennsylvania.....	49	39	40
South Carolina	1	1	1
South Dakota	921	997	1,050
Texas.....	17,305	14,242	14,647
Utah.....	149,439	161,810	170,339
Virginia	74	59	60
Washington	27	29	31
West Virginia.....	351	278	286
Wyoming.....	971,498	1,051,920	1,107,369
TOTAL	1,953,254	2,105,442	2,215,531

* Payments include Mineral Leasing Associated Payments; National Forest Fund Payments to States; Payments to States from Lands Acquired for Flood Control, Navigation and Allied Purposes; National Petroleum Reserve – Alaska; royalty payments to Oklahoma; and late interest payments. Payments are reduced by the Net Receipts Sharing provision enacted in the 2011 and 2012 Appropriations Acts and proposed in the 2013 President's Budget.

All years exclude payments made to coastal States and counties under Section 8(g) the Outer Continental Shelf Lands Act and the Gulf of Mexico Energy Security Act of 2006, and Geothermal Revenue Sharing Payments to Counties under the Energy Policy Act of 2005.

STAFFING ^{1/}

(Full Time Equivalent Staff Years)

Bureau/Office	2011 Usage	2012 Estimated Usage	2013 Estimated Usage	Change
Bureau of Land Management.....	10,635	10,489	10,365	-124
Bureau of Ocean Energy Management, Regulation and Enforcement ^{2/}	1,756	0	0	0
Bureau of Ocean Energy Management ^{2/}	0	572	572	0
Bureau of Safety and Environmental Enforcement ^{2/}	0	703	766	+63
Office of Surface Mining	504	503	528	+25
Bureau of Reclamation	5,240	5,381	5,388	+7
U.S. Geological Survey	8,622	8,518	8,512	-6
Fish and Wildlife Service ^{3/}	9,508	9,368	9,290	-78
National Park Service	22,051	21,907	21,689	-218
Bureau of Indian Affairs.....	8,381	8,318	8,126	-192
Departmental Offices				
Office of the Secretary ^{2/}	792	1,521	1,479	-42
Trust Land Consolidation Fund.....	0	0	11	+11
Central Utah Project ^{4/}	4	4	0	-4
Office of Insular Affairs.....	41	41	41	0
Office of the Solicitor	443	441	440	-1
Office of Inspector General.....	276	288	267	-21
Office of the Special Trustee for American Indians.....	665	665	651	-14
Department-wide Programs				
Wildland Fire Management.....	19	24	27	+3
Payments in Lieu of Taxes	1	1	1	0
Central Hazardous Materials Fund.....	4	5	5	0
Natural Resource Damage Assessment.....	10	10	10	0
Working Capital Fund / Franchise Fund.....	1,423	1,453	1,453	0
National Indian Gaming Commission.....	112	123	123	0
TOTAL, DEPARTMENT OF THE INTERIOR.....	70,487	70,335	69,744	-591
Utah Mitigation Commission.....	10	12	12	0
COMBINED TOTAL	70,497	70,347	69,756	-591

^{1/} All numbers include discretionary, mandatory, allocation, and reimbursable FTE.

^{2/} The 2012 FTE amount reflects the reorganization of BOEMRE to the Bureau of Ocean Energy Management, Bureau of Safety and Environment Enforcement, and Office of Natural Resources Revenue in the Office of the Secretary, which are displayed separately.

^{3/} The 2013 Fish and Wildlife Service FTE level is five less than the President's Budget Appendix, but accurately reflects the estimated FTE associated with the budget request.

^{4/} The Central Utah Project's 2013 FTE are included in Bureau of Reclamation's 2013 estimated usage reflecting the budgetary realignment of CUPCA to Reclamation.

